

HOUSE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE
FOR
SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 931

1 AN ACT

2 To repeal sections 72.080, 72.130, 326.256,
3 326.271, 326.280, 326.283, 326.286, 326.289,
4 326.292, 347.187, 349.010, 351.055, 351.120,
5 351.140, 351.145, 351.150, 351.155, 351.182,
6 351.455, 355.856, 356.211, 386.025, 392.410,
7 393.295, 393.700, 393.705, 393.715, 393.725,
8 393.740, 393.765, 400.9-102, 400.9-109,
9 400.9-303, 400.9-311, 400.9-313, 400.9-317,
10 400.9-323, 400.9-406, 400.9-407, 400.9-408,
11 400.9-409, 400.9-504, 400.9-509, 400.9-513,
12 400.9-525, 400.9-602, 400.9-608, 400.9-611,
13 400.9-613, 400.9-615, 400.9-625, 400.9-628,
14 400.9-710, 408.140, 408.653, 408.654,
15 417.210, 430.225, 486.225, 486.235, 486.240,
16 486.260, 486.265, 486.280, 486.285, 486.295,
17 486.300, 486.310, 486.315, 486.330, 486.335,
18 486.340, 486.345, 486.350, 486.385, 486.395,
19 and 575.060, RSMo, and to enact in lieu
20 thereof one hundred six new sections relating
21 to business and commerce, with penalty
22 provisions.

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
24 AS FOLLOWS:

25 Section A. Sections 72.080, 72.130, 326.256, 326.271,

1

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted from the law.
Matter in boldface type in the above law is new proposed language.

326.280, 326.283, 326.286, 326.289, 326.292, 347.187, 349.010,
351.055, 351.120, 351.140, 351.145, 351.150, 351.155, 351.182,
351.455, 355.856, 356.211, 386.025, 392.410, 393.295, 393.700,
393.705, 393.715, 393.725, 393.740, 393.765, 400.9-102, 400.9-
109, 400.9-303, 400.9-311, 400.9-313, 400.9-317, 400.9-323,
400.9-406, 400.9-407, 400.9-408, 400.9-409, 400.9-504, 400.9-509,
400.9-513, 400.9-525, 400.9-602, 400.9-608, 400.9-611, 400.9-613,
400.9-615, 400.9-625, 400.9-628, 400.9-710, 408.140, 408.653,
408.654, 417.210, 430.225, 486.225, 486.235, 486.240, 486.260,
486.265, 486.280, 486.285, 486.295, 486.300, 486.310, 486.315,
486.330, 486.335, 486.340, 486.345, 486.350, 486.385, 486.395,
and 575.060, RSMo, are repealed and one hundred six new sections
enacted in lieu thereof, to be known as sections 72.080, 72.130,
99.846, 99.915, 99.918, 99.921, 99.924, 99.927, 99.930, 99.933,
99.936, 99.939, 99.944, 99.945, 99.948, 99.951, 99.954, 99.957,
99.960, 99.963, 99.965, 99.966, 99.969, 99.970, 99.972, 99.975,
99.981, 99.984, 326.256, 326.271, 326.280, 326.283, 326.286,
326.289, 326.292, 347.187, 349.010, 351.055, 351.056, 351.120,
351.140, 351.145, 351.150, 351.155, 351.182, 351.455, 355.856,
356.211, 392.410, 393.700, 393.705, 393.715, 393.725, 393.740,
400.9-102, 400.9-109, 400.9-303, 400.9-311, 400.9-313, 400.9-317,
400.9-323, 400.9-406, 400.9-407, 400.9-408, 400.9-409, 400.9-504,
400.9-509, 400.9-513, 400.9-525, 400.9-602, 400.9-608, 400.9-611,
400.9-613, 400.9-615, 400.9-625, 400.9-628, 400.9-710, 408.140,
408.653, 408.654, 417.210, 430.225, 477.650, 486.225, 486.235,

1 486.240, 486.260, 486.265, 486.280, 486.285, 486.295, 486.300,
2 486.310, 486.315, 486.330, 486.335, 486.340, 486.345, 486.350,
3 486.385, 486.395, 488.031, 575.060, 1, 2, and 3, to read as
4 follows:

5 72.080. 1. Any unincorporated city, town or other area of
6 the state may, except as otherwise provided in sections 72.400 to
7 72.420, become a city of the class to which its population would
8 entitle it pursuant to this chapter, and be incorporated pursuant
9 to the law for the government of cities of that class, in the
10 following manner: whenever a number of voters equal to fifteen
11 percent of the votes cast in the last gubernatorial election in
12 the area proposed to be incorporated shall present a petition to
13 the governing body of the county in which such city or town or
14 area is situated, such petition shall describe, by metes and
15 bounds, the area to be incorporated and be accompanied by a plat
16 thereof, shall state the approximate population and the assessed
17 valuation of all real and personal property in the area and shall
18 state facts showing that the proposed city shall have the ability
19 to furnish normal municipal services within a reasonable time
20 after its incorporation is to become effective and praying that
21 the question be submitted to determine if it may be incorporated.
22 If the governing body shall be satisfied that a number of voters
23 equal to fifteen percent of the votes cast in the last
24 gubernatorial election in the area proposed to be incorporated
25 have signed such petition, the governing body shall submit the

1 question to the voters.

2 2. The county may make changes in the petition to correct
3 technical errors or to redefine the metes and bounds of the area
4 to be incorporated to reflect other boundary changes occurring
5 within six months prior to the time of filing the petition.
6 Petitions submitted by proposing agents may be submitted with
7 exclusions for the signatures collected in areas originally
8 included in the proposal but subsequently annexed or incorporated
9 separately as a city, town or village, although the governing
10 body shall be satisfied as to the sufficiency of the signatures
11 for the final proposed area. If a majority of the voters voting
12 on the question vote for incorporation, the governing body shall
13 declare such city, town or other area incorporated, designating
14 in such order the metes and bounds thereof, and thenceforth the
15 inhabitants within such bounds shall be a body politic and
16 incorporate, by the name and style of "the city of",
17 or "the town of", and the first officers of such city
18 or town shall be designated by the order of the governing body,
19 who shall hold their offices until the next municipal election
20 and until their successors shall be duly elected and qualified.
21 The county shall pay the costs of the election.

22 3. In any county with a charter form of government where
23 fifty or more cities, towns and villages have been incorporated,
24 an unincorporated city, town or other area of the state shall not
25 be incorporated except as provided in sections 72.400 to 72.420.

1 4. Any unincorporated area located within any county of the
2 first classification without a charter form of government and
3 with more than eighty-two thousand but less than eighty-two
4 thousand one hundred inhabitants may incorporate as a city of the
5 class to which its population would entitle it pursuant to this
6 chapter notwithstanding any proposed annexation of the
7 unincorporated area by any city of the third or fourth
8 classification or any home rule city with more than four hundred
9 thousand inhabitants and located in more than one county. If any
10 city of the third or fourth classification or any home rule city
11 with more than four hundred thousand inhabitants and located in
12 more than one county proposes annexation by ordinance or
13 resolution of any unincorporated area as defined in this
14 subsection, no such annexation shall become effective until after
15 the qualified voters in the unincorporated area proposed to be
16 incorporated fail to approve the proposed incorporation by a
17 majority vote in the election described in subsection 2 of this
18 section.

19 5. Prior to the election described in subsection 2 of this
20 section, if the owner or owners of either the majority of the
21 commercial or the majority of the agricultural classification of
22 real property in the proposed area to be incorporated object to
23 such incorporation, such owner or owners may file an action in
24 the circuit court of the county in which such unincorporated area
25 is situated, pursuant to [the provisions of] chapter 527, RSMo,

1 praying for a declaratory judgment requesting that such
2 incorporation be declared unreasonable by the court. As used in
3 this subsection, a "majority of the commercial or agricultural
4 classification" means a majority as determined by the assessed
5 valuation of the tracts of real property in either classification
6 to be determined by the assessments made according to chapter
7 137, RSMo. The petition in such action shall state facts showing
8 that such incorporation including the real property owned by the
9 petitioners is not reasonable based on the same criteria as
10 specified in subsection 3 of section 72.403 and is not necessary
11 to the proper development of the city or town. If the circuit
12 court finds that such inclusion is not reasonable and necessary,
13 it may enjoin the incorporation or require the petition
14 requesting the incorporation to be resubmitted excluding all or
15 part of the property of the petitioners from the proposed
16 incorporation.

17 72.130. Except as provided in sections 72.400 to 72.420, no
18 city, town, village or other area shall be organized within this
19 state under and by virtue of any law thereof, adjacent to or
20 within two miles of the limits of any city of the first, second,
21 third or fourth classification or any constitutional charter
22 city, unless the city, town, village or other area be in a
23 different county from the city, or unless the city, town, or
24 village is located within any county of the first classification
25 without a charter form of government and with more than

1 eighty-two thousand but less than eighty-two thousand one hundred
2 inhabitants, except that a city, town, village or other area may
3 be incorporated within the two-mile area if a petition signed by
4 a number of voters equal to fifteen percent of the votes cast in
5 the last gubernatorial election in the area proposed to be
6 incorporated is presented to the existing city requesting that
7 the boundaries of the existing city be extended to include the
8 area proposed to be incorporated and if action taken thereon by
9 the existing city is unfavorable to the petition, or if no action
10 is taken by the existing city on the petition, then the city,
11 town, village or other area may be incorporated after the
12 expiration of one year from the date of the petition and upon a
13 favorable majority vote on the question.

14 99.846. 1. Notwithstanding any provision of sections
15 99.800 to 99.865, RSMo, to the contrary, for redevelopment plans
16 and projects adopted or redevelopment projects approved by
17 ordinance in blighted areas or conservation areas located in an
18 enterprise zone pursuant to sections 135.200 to 135.256, RSMo, or
19 located in a business district, or located on property owned by a
20 public authority organized pursuant to sections 64.920 to 64.950,
21 RSMo, which project or projects include total redevelopment
22 project costs exceeding two hundred million dollars, one hundred
23 percent of the total additional revenue from taxes, penalties,
24 and interest which are imposed by the municipality or other
25 taxing districts, and which are generated by economic activities

1 within the area of the redevelopment projects over the amount of
2 such taxes generated by economic activities within the area of
3 the redevelopment projects in the third calendar year before the
4 approval of the redevelopment projects by ordinance, while tax
5 increment financing remains in effect, but excluding personal
6 property taxes, taxes imposed on sales or charges for sleeping
7 rooms paid by transient guests of hotels and motels, taxes levied
8 pursuant to section 70.500, RSMo, or effective January 1, 1998,
9 licenses, fees, or special assessments other than payments in
10 lieu of taxes and penalties and interest thereon, shall be
11 allocated to, and paid by the local political subdivision
12 collecting officer to the treasurer or other designated financial
13 officer of the municipality, who shall deposit such funds in a
14 separate segregated account within the special allocation fund,
15 for a period up to thirty-five years. Notwithstanding any
16 provision of sections 99.800 to 99.865, RSMo, to the contrary,
17 for redevelopment plans and projects funded in part pursuant to
18 this subsection, obligations issued pursuant to sections 99.800
19 to 99.865, RSMo, shall mature at such time or times not exceeding
20 thirty-five years from their respective issuance dates. Unless
21 otherwise indicated, terms in this section shall be defined as
22 such terms are defined in sections 99.800 to 99.865, RSMo.

23 2. Notwithstanding any provision of sections 99.800 to
24 99.865, RSMo, to the contrary, for redevelopment plans and
25 projects adopted or redevelopment projects approved by ordinance

1 in blighted areas or conservation areas located in an enterprise
2 zone pursuant to sections 135.200 to 135.256, RSMo, or located in
3 a business district, or located on property owned by a public
4 authority organized pursuant to sections 64.920 to 64.950, RSMo,
5 which project or projects include total redevelopment project
6 costs exceeding two hundred million dollars and which have met
7 the conditions and obtained the approvals set forth in paragraphs
8 (a) to (f) of subdivision(1) of subsection 10 of section 99.845,
9 RSMo, one hundred percent of new state revenues for the
10 businesses and other economic activities within the project
11 areas, and up to one hundred percent of state revenues for a
12 project located on property owned by a public authority organized
13 pursuant to section 64.920 to 64.950, RSMo, and identified by the
14 municipality in the application required by paragraphs (a) to (f)
15 of subdivision (1) and subdivision (2) of subsection 10 of
16 section 99.845, RSMo, over and above the amount of such taxes
17 reported by businesses and economic activities within the project
18 areas as identified by the municipality in their application in
19 the third calendar year before the approval of the redevelopment
20 projects by ordinance, while tax increment financing remains in
21 effect, shall be available for appropriation by the general
22 assembly to the department of economic development supplemental
23 tax increment financing fund, but not before fiscal year 2006,
24 from the general revenue fund, for distribution by the department
25 of economic development to the treasurer or other designated

1 financial officer of the municipality with approved plans or
2 projects, for a period up to thirty-five years. Notwithstanding
3 any provision of sections 99.800 to 99.965, RSMo, to the
4 contrary, for redevelopment plans and projects funded in part
5 pursuant to this subsection, obligations issued pursuant to
6 sections 99.800 to 99.865, RSMo, shall mature at such time or
7 times not exceeding thirty-five years from their respective
8 issuance dates. For purposes of this subsection, "new state
9 revenues" means:

10 (1) The incremental increase in the general revenue portion
11 of state sales tax revenues received pursuant to section 144.020,
12 RSMo, excluding sales taxes that are constitutionally dedicated,
13 taxes deposited to the school district trust fund in accordance
14 with section 144.701, RSMo, sales and use taxes on motor
15 vehicles, trailers, boats and outboard motors and future sales
16 taxes earmarked by law; and

17 (2) The state income tax withheld on behalf of new
18 employees by the employer pursuant to section 143.221, RSMo, at
19 the business located within the projects as identified by the
20 municipality.

21 99.915. 1. Sections 99.915 to 99.984 shall be known and
22 may be cited as the "Missouri Downtown Economic Stimulus Act".

23 2. Nothing in sections 99.915 to 99.984 shall be construed
24 to provide any funding for the construction, maintenance, or
25 operation of any sports stadium or related facility.

1 99.918. Each municipality may create an authority to be
2 known as a "Downtown Economic Stimulus Authority"; provided,
3 however:

4 (1) No such authority shall transact any business or
5 exercise its powers under sections 99.915 to 99.984 until and
6 unless the governing body of such municipality shall, in
7 accordance with subsection 1 of section 99.954, approve by
8 ordinance the exercise of the powers, functions, and duties of an
9 authority under sections 99.915 to 99.984;

10 (2) No governing body of a municipality shall adopt an
11 ordinance pursuant to subdivision (1) of this section unless it
12 finds:

13 (a) That it would be in the interest of the public to
14 consider the establishment of a development area in accordance
15 with sections 99.915 to 99.984;

16 (b) That the development of such a development area would
17 be in the interest of the public health, safety, morals, or
18 welfare of the residents of such municipality; and

19 (c) That it is anticipated that such a development area can
20 be renovated through a series of one or more development
21 projects.

22 99.921. 1. Each authority shall be governed by a board of
23 commissioners. The number of commissioners serving on the board
24 of each authority shall be no less than five and no more than
25 thirteen, which number shall be established by ordinance of the

1 municipality of which one shall be a member of any local
2 community development corporation, if one exists in the
3 municipality, and one shall be an owner of a minority business in
4 the municipality and one member shall be appointed by the school
5 boards whose districts are included within the development plan
6 or development area. In addition to the members of the board of
7 commissioners established pursuant to this subsection, in all
8 municipalities, two advisory members shall be appointed by the
9 school boards whose districts are included within the development
10 plan or development area. Such members shall be appointed in any
11 manner agreed upon by the affected districts. In addition to the
12 members of the board of commissioners and the advisory members
13 established pursuant to this subsection, one advisory member
14 shall be appointed, in any manner agreed upon by the affected
15 districts, to represent all other districts levying ad valorem
16 taxes or sales taxes within the area selected for a development
17 project or the development area, excluding representatives of the
18 governing body of the municipality. At the option of the
19 remaining members, the members who are appointed by the school
20 boards and other taxing districts may serve on the authority for
21 a term to coincide with the length of time a development project,
22 development plan, or designation of a development area, is
23 considered for approval by the commission, or for a definite term
24 pursuant to this subdivision. If the members representing school
25 districts and other taxing districts are appointed for a term

1 coinciding with the length of time a development project, plan,
2 or area is approved, such term shall terminate upon final
3 approval of the project, plan, or designation of the area by the
4 governing body of the municipality. Thereafter, the authority
5 shall consist of the members appointed by the mayor or chief
6 executive officer of the municipality; except that members
7 representing school boards and other taxing districts shall be
8 appointed as provided in this section before any amendments to
9 any development plans, development projects, or designation of a
10 development area. If any school district or other taxing
11 jurisdiction fails to appoint members of the authority within
12 thirty days of receipt of written notice of a proposed
13 development plan, development project, or designation of a
14 development area, the remaining members may proceed to exercise
15 the power of the authority.

16 2. In addition to the commissioners appointed pursuant to
17 subsection 1 of this section, the remaining commissioners of the
18 authority shall be appointed by the mayor or chief executive
19 officer of the municipality. The initial commissioners appointed
20 pursuant to this subsection shall serve staggered terms of one,
21 two, and three years as determined by the mayor or chief
22 executive officer of the municipality at the time of their
23 appointment. Thereafter, successor commissioners shall be
24 appointed by the mayor or chief executive officer of the
25 municipality for a term of three years. All vacancies shall be

1 filled by appointment of the mayor or chief executive officer of
2 the municipality for the unexpired term. Notwithstanding any
3 other provision of this subsection to the contrary, in any county
4 with a charter form of government and with more than one million
5 inhabitants, three of the members shall be appointed by the
6 cities in the county which have tax increment financing districts
7 in a manner in which the cities shall agree.

8 99.924. 1. The powers of the authority shall be exercised
9 by its board of commissioners. A majority of the commissioners
10 shall constitute a quorum of such board for the purpose of
11 conducting business and exercising the powers of the authority
12 and for all other purposes. Action may be taken by the board
13 upon a vote of a majority of the commissioners present in person
14 or by teleconference, unless in any case the bylaws of the
15 authority shall require a larger number. Meetings of the board
16 of the authority may be held anywhere within the municipality.

17 2. The commissioners of the authority annually shall elect
18 a chair and vice chair from among the commissioners; however, the
19 first chair shall be designated by the mayor for a term of one
20 year. The mayor or chief executive officer of the municipality
21 shall serve as the co-chair of the authority. The authority may
22 employ an executive director, technical experts, and such other
23 officers, agents, and employees, permanent and temporary, as it
24 may require, and shall determine their qualifications, duties,
25 and compensation. For such legal services as it may require, an

1 authority may call upon the chief law officer of the communities
2 within the development area or may employ its own counsel and
3 legal staff.

4 99.927. A commissioner of an authority shall receive no
5 compensation for his or her services, but may receive the
6 necessary expenses, including traveling expenses, incurred in the
7 discharge of his or her duties. Each commissioner shall hold
8 office until a successor has been appointed.

9 99.930. A commissioner of an authority may be removed by
10 the mayor or chief executive officer of the municipality for
11 inefficiency or neglect of duty or misconduct in office.

12 99.933. 1. In any suit, action, or proceeding involving
13 the validity or enforcement of or relating to any contract of an
14 authority entered into pursuant to sections 99.915 to 99.984,
15 such authority shall be conclusively deemed to have become
16 established and authorized to transact business and exercise its
17 powers under sections 99.915 to 99.984 upon proof of the adoption
18 of the appropriate ordinance prescribed in section 99.918. Each
19 such ordinance shall be deemed sufficient if it authorizes the
20 exercise of powers under sections 99.915 to 99.984 by the
21 authority and sets forth the findings of the municipality as
22 required in subdivision (2) of section 99.918, but is not
23 required to expressly state the details supporting such findings.

24 2. A copy of such ordinance duly certified by the clerk of
25 the municipality shall be admissible in evidence in any suit,

1 action, or proceeding.

2 99.936. 1. The authority shall constitute a public body
3 corporate and politic, exercising public and essential
4 governmental functions and having all the powers necessary or
5 convenient to carry out and effectuate the purposes and
6 provisions of sections 99.915 to 99.984, including the following
7 powers in addition to others granted pursuant to sections 99.915
8 to 99.984:

9 (1) To sue and to be sued; to have a seal and to alter the
10 same at pleasure; to have perpetual succession; to make and
11 execute contracts and other instruments necessary or convenient
12 to the exercise of the powers of the authority; and to make and
13 from time to time amend and repeal bylaws, rules, and
14 regulations, not inconsistent with sections 99.915 to 99.984, to
15 carry out the provisions of sections 99.915 to 99.984;

16 (2) To prepare or cause to be prepared and approved
17 development plans and development projects to be considered at
18 public hearings in accordance with sections 99.915 to 99.984 and
19 to undertake and carry out development plans and development
20 projects which have been adopted by ordinance;

21 (3) To arrange or contract for the furnishing or repair, by
22 any person or agency, public or private, of services, privileges,
23 streets, roads, public utilities, or other facilities for or in
24 connection with any development project; and notwithstanding
25 anything to the contrary contained in sections 99.915 to 99.984

1 or any other provision of law, to agree to any conditions that it
2 may deem reasonable and appropriate attached to federal financial
3 assistance and imposed pursuant to federal law relating to the
4 determination of prevailing salaries or wages or compliance with
5 labor standards in the undertaking or carrying out of any
6 development project, and to include in any contract let in
7 connection with any such development project provisions to
8 fulfill such of the conditions as it may deem reasonable and
9 appropriate;

10 (4) Within a development area, to acquire by purchase,
11 lease, gift, grant, bequest, devise, or otherwise, or obtain
12 options upon, any real or personal property or any interest
13 therein, necessary or incidental to a development project, all in
14 the manner and at such price as the authority determines is
15 reasonably necessary to achieve the objectives of a development
16 plan;

17 (5) Within a development area, subject to provisions of
18 section 99.939 with regard to the disposition of real property,
19 to sell, lease, exchange, transfer, assign, subdivide, retain for
20 its own use, mortgage, pledge, hypothecate, or otherwise encumber
21 or dispose of any real or personal property or any interest
22 therein, all in the manner and at such price and subject to any
23 covenants, restrictions, and conditions as the authority
24 determines is reasonably necessary to achieve the objectives of a
25 development plan; to make any such covenants, restrictions, or

1 conditions as covenants running with the land, and to provide
2 appropriate remedies for any breach of any such covenants,
3 restrictions, or conditions, including the right in the authority
4 to terminate such contracts and any interest in the property
5 created pursuant thereto;

6 (6) Within a development area, to clear any area by
7 demolition or removal of existing buildings and structures;

8 (7) To install, repair, construct, reconstruct, or relocate
9 streets, utilities, and site improvements as necessary or
10 desirable for the preparation of a development area for use in
11 accordance with a development plan;

12 (8) Within a development area, to fix, charge, and collect
13 fees, rents, and other charges for the use of any real or
14 personal property, or any portion thereof, in which the authority
15 has any interest;

16 (9) To accept grants, guarantees, and donations of
17 property, labor, or other things of value from any public or
18 private source for purposes of implementing a development plan;

19 (10) In accordance with section 99.939, to select one or
20 more developers to implement a development plan, or one or more
21 development projects, or any portion thereof;

22 (11) To charge as a development project cost the reasonable
23 costs incurred by the authority or the department of economic
24 development or the office of administration in evaluating,
25 administering, or implementing the development plan or any

1 development project;

2 (12) To borrow money and issue obligations in accordance
3 with sections 99.915 to 99.984 and provide security for any such
4 loans or obligations;

5 (13) To insure or provide for the insurance of any real or
6 personal property or operations of the authority against any
7 risks or hazards, including the power to pay premiums on any such
8 insurance; and to enter into any contracts necessary to
9 effectuate the purposes of sections 99.915 to 99.984;

10 (14) Within a development area, to renovate, rehabilitate,
11 construct, repair, or improve any improvements, buildings,
12 parking garages, fixtures, structures, and other facilities;

13 (15) To invest any funds held in reserves or sinking funds,
14 or any funds not required for immediate disbursement, in property
15 or securities in which savings banks may legally invest funds
16 subject to their control; to redeem obligations at the redemption
17 price established therein or to purchase obligations at less than
18 redemption price, all obligations so redeemed or purchased to be
19 canceled;

20 (16) To borrow money and to apply for and accept advances,
21 loans, grants, contributions, and any other form of financial
22 assistance from the federal government, the state, county,
23 municipality, or other public body or from any sources, public or
24 private, for the purposes of implementing a development plan, to
25 give such security as may be required and to enter into and carry

1 out contracts in connection therewith. Notwithstanding the
2 provisions of any other law, an authority, may include in any
3 contract for financial assistance with the federal government for
4 a project such conditions imposed pursuant to federal law as the
5 authority may deem reasonable and appropriate and which are not
6 inconsistent with the purposes of sections 99.915 to 99.984;

7 (17) To incur development project costs and make such
8 expenditures as may be necessary to carry out the purposes of
9 sections 99.915 to 99.984; and to make expenditures from funds
10 obtained from the federal government without regard to any other
11 laws pertaining to the making and approval of appropriations and
12 expenditures;

13 (18) To delegate to a municipality or other public body any
14 of the powers or functions of the authority with respect to the
15 planning or undertaking of a development project, and any such
16 municipality or public body is hereby authorized to carry out or
17 perform such powers or functions for the authority;

18 (19) To receive and exercise powers, excluding powers of
19 eminent domain, delegated by any authority, agency, or agent of a
20 municipality created pursuant to this chapter or chapter 353,
21 RSMo;

22 (20) To loan the proceeds of obligations issued pursuant to
23 sections 99.915 to 99.984 for the purpose of providing for the
24 purchase, construction, extension, and improvement of public
25 infrastructure related to a development project by a developer

1 pursuant to a development contract approved by the authority in
2 accordance with subdivision (2) of section 99.939;

3 (21) To declare any funds, or any portion thereof, in the
4 special allocation fund to be excess funds, so long as such
5 excess funds have not been pledged to the payment of outstanding
6 obligations or outstanding development project costs, are not
7 necessary for the payment of development project costs incurred
8 or anticipated to be incurred. Any such funds deemed to be
9 excess shall be disbursed in the manner of surplus funds as
10 provided in section 99.972;

11 (22) To pledge or otherwise expend funds deposited to the
12 special allocation fund, or any portion thereof, for the payment
13 or reimbursement of development project costs incurred by the
14 authority, the municipality, a developer selected by the
15 authority in accordance with the provisions of section 99.939, or
16 any other entity with the consent of the authority; to pledge or
17 otherwise expend funds deposited to the special allocation fund,
18 or any portion thereof; or to mortgage or otherwise encumber its
19 property, or any portion thereof, for the payment of obligations
20 issued to finance development project costs; provided, however,
21 any such pledge or expenditure of economic activity taxes or
22 other net new revenues shall be subject to annual appropriation
23 by the municipality; and

24 (23) To exercise all powers or parts or combinations of
25 powers necessary, convenient, or appropriate to undertake and

1 carry out development plans and any development projects and all
2 the powers granted pursuant to sections 99.915 to 99.984,
3 excluding powers of eminent domain.

4 2. If any member of the governing body of the municipality,
5 a commissioner of the authority, or an employee or consultant of
6 the municipality or authority involved in the planning and
7 preparation of a development project owns or controls an
8 interest, direct or indirect, in any property included in a
9 development project area, the member shall disclose the same in
10 writing to the clerk of the municipality, and shall also so
11 disclose the dates, terms, and conditions of any disposition of
12 any such interest, which disclosures shall be acknowledged by the
13 governing body of the municipality and entered upon the minutes
14 books of the governing body of the municipality. If an
15 individual holds such an interest, such individual shall refrain
16 from any further official involvement in regard to a development
17 project and from voting on any matter pertaining to such
18 development project or communicating with other commissioners or
19 members of the authority or the municipality concerning any
20 matter pertaining to such development project. Furthermore, no
21 such member, commissioner, employee, or consultant shall acquire
22 any interest, direct or indirect, in any property in a
23 development project area or proposed development project area,
24 after either such individual obtains knowledge of a development
25 project or first public notice of such development project, or

1 development project area pursuant to section 99.960, whichever
2 first occurs.

3 3. Each municipality shall establish a minority business
4 plan to ensure that minority-owned businesses are provided good
5 faith opportunities to participate in the procurement of goods
6 and services within the development project areas.

7 99.939. Real property in a development area may be disposed
8 of as follows:

9 (1) Within a development area, the authority may sell,
10 lease, exchange, or otherwise transfer real property, including
11 land, improvements, and fixtures, or any interest therein, to any
12 developer selected for a development project, or any portion
13 thereof, in accordance with the development plan, subject to such
14 covenants, conditions, and restrictions as may be deemed to be in
15 the public interest or to carry out the purposes of sections
16 99.915 to 99.984. Such real property shall be sold, leased, or
17 transferred at its fair value for uses in accordance with the
18 development plan; provided that such fair market value may be
19 less than the cost of such property to the authority. In
20 determining the fair market value of real property for uses in
21 accordance with a development plan, the authority shall take into
22 account and give consideration to the uses and purposes required
23 by the development plan; the restrictions upon, and the
24 covenants, conditions, and obligations assumed by the developer
25 of such property; the objectives of the development plan; and

1 such other matters as the authority shall specify as being
2 appropriate. In fixing rental and sale prices, an authority
3 shall give consideration to appraisals of the property for such
4 uses made by experts employed by the authority;

5 (2) The authority shall, by public notice published in a
6 newspaper having a general circulation in a development area and
7 prior to selecting one or more developers for any development
8 project or any portion thereof, invite proposals from and make
9 available all pertinent information to private developers or any
10 persons interested in undertaking the development of such
11 development project or any portion thereof. Such notice shall be
12 published at least once each week during the two weeks preceding
13 the selection of a developer, shall identify the area of the
14 development project or development projects or any portion
15 thereof for which one or more developers are to be selected, and
16 shall state that such further information as is available and may
17 be obtained at the office of the authority. The authority shall
18 consider all proposals and the financial and legal ability of the
19 prospective developers to carry out their proposals. The
20 authority may negotiate and enter into one or more contracts with
21 any developer selected for the development of any such area for
22 the development of such area by such developer in accordance with
23 a development plan or for the sale or lease of any real property
24 to any such developer in any such area for the purpose of
25 developing such property in accordance with the development plan.

1 The authority may enter into any such contract as it deems to be
2 in the public interest and in furtherance of the purposes of
3 sections 99.915 to 99.984; provided that the authority has, not
4 less than ten days prior thereto, notified the governing body in
5 writing of its intention to enter into such contract.

6 Thereafter, the authority may execute such contract in accordance
7 with the provisions of subdivision (1) of this section and
8 deliver deeds, leases, and other instruments and take all steps
9 necessary to effectuate such contract. In its discretion, the
10 authority may, in accordance with the provisions of this
11 subdivision, dispose of any real property in an area selected for
12 a development project or any portion thereof to private
13 developers for development under such reasonable competitive
14 bidding procedures as it shall prescribe, subject to the
15 provisions of subdivision (1) of this section;

16 (3) In carrying out a development project, the authority
17 may:

18 (a) Convey to the municipality such real property as, in
19 accordance with the development plan, is to be dedicated as
20 public right-of-way for streets, sidewalks, alleys, or other
21 public ways, this power being additional to and not limiting any
22 and all other powers of conveyance of property to municipalities
23 expressed, generally or otherwise, in sections 99.915 to 99.984;

24 (b) Grant servitudes, easements, and rights-of-way for
25 public utilities, sewers, streets, and other similar facilities,

1 in accordance with the development plan; and

2 (c) Convey to the municipality or other appropriate public
3 body such real property as, in accordance with the development
4 plan, is to be used for parks, schools, public buildings,
5 facilities, or other public purposes;

6 (4) The authority may operate and maintain real property in
7 the development area pending the disposition or development of
8 the property in accordance with a development plan, without
9 regard to the provisions of subdivisions (1) and (2) of this
10 section, for such uses and purposes as may be deemed desirable
11 even though not in conformity with the development plan.

12 99.944. 1. Any home rule city with more than four hundred
13 thousand inhabitants and located in more than one county, any
14 county with a charter form of government and with more than one
15 million inhabitants, and any city not within a county may by
16 ordinance establish a fund for the purpose of providing funds to
17 community development corporations in such city for comprehensive
18 programs within such city to stimulate economic development,
19 housing, and other public benefits leading to the development of
20 economically sustainable neighborhoods or communities, such fund
21 to be known as the "Community Development Corporation Revolving
22 Fund".

23 2. The community development corporation revolving fund
24 shall be administered by a community development corporation
25 revolving fund board, which shall consist of thirteen members

1 appointed by the chief elected official of such municipality or
2 county, of which one shall be a member of the local regional
3 community development association, and one shall be an owner of a
4 minority business. The initial members shall serve staggered
5 terms of one, two, and three years as determined by the mayor of
6 such city at the time of appointment. Thereafter, successor
7 members shall be appointed by the mayor for a term of three years
8 and shall hold office until a successor is appointed. Any member
9 may be removed by the mayor for inefficiency, neglect of duty, or
10 misconduct. All vacancies shall be filled by appointment of the
11 mayor for the unexpired term. No member shall receive
12 compensation for the member's services, but may receive necessary
13 and reasonable expenses, including travel expenses, incurred in
14 the discharge of the member's duties.

15 3. Beginning January 1, 2003, up to five percent of the
16 state sales tax increment portion of other net new revenues
17 generated by projects certified for state supplemental downtown
18 development financing pursuant to sections 99.915 to 99.984, but
19 not being used for state supplemental downtown development
20 financing, may be available for appropriation by the general
21 assembly to the state supplemental downtown development fund from
22 the general revenue fund for the purpose of providing grants to
23 cities or counties as set forth herein. A city or county, as
24 described in subsection 1 of this section may, upon application
25 to the department of economic development, receive a grant for

1 the purposes of funding a community development corporation
2 revolving fund program. Any city or county otherwise eligible
3 shall not be denied participation in the grant program due to a
4 lack of projects certified for state supplemental downtown
5 development financing, but such grants shall be limited to
6 incremental revenues generated from certified projects in any
7 home rule city with more than four hundred thousand inhabitants
8 and located in more than one county, any county with a charter
9 form of government and with more than one million inhabitants,
10 and any city not within a county. At no time shall the sum of
11 the grants exceed one million five hundred thousand dollars
12 annually.

13 4. From moneys granted to a city or county for deposit in
14 the community development corporation revolving fund, the city or
15 county, through the community development corporation revolving
16 fund board, shall provide grants and forgivable loans to
17 community development corporations in such city or county for
18 community economic development activities implemented by such
19 corporations. The board shall give special funding consideration
20 to collaborations on community development projects between
21 developers organized for profit and nonprofit developers. All
22 expenses for such projects shall be paid for out of the community
23 development corporation revolving fund. Any moneys appropriated,
24 all payments in lieu of taxes, as defined in section 99.945, and
25 any other moneys made available by gift, grant, bequest,

1 contribution, or otherwise to carry out the purposes of this
2 section, and all interest earned on and income generated from
3 moneys in the fund shall be paid to and deposited in the
4 community development corporation revolving fund.

5 99.945. As used in sections 99.915 to 99.984, unless the
6 context clearly requires otherwise, the following terms shall
7 mean:

8 (1) "Authority", the downtown economic stimulus authority
9 for a municipality created pursuant to sections 99.915 to 99.984;

10 (2) "Baseline year", the calendar year prior to the
11 adoption of an ordinance by the municipality designating the
12 development project area;

13 (3) "Blighted area", an area which, by reason of the
14 predominance of defective or inadequate street layout, unsanitary
15 or unsafe conditions, deterioration of site improvements,
16 improper subdivision or obsolete platting, or the existence of
17 conditions which endanger life or property by fire and other
18 causes, or any combination of such factors, retards the provision
19 of housing accommodations or constitutes an economic or social
20 liability or a menace to the public health, safety, morals, or
21 welfare in its present condition and use;

22 (4) "Collecting officer", the officer of the municipality
23 responsible for receiving and processing payments in lieu of
24 taxes, economic activity taxes, and other net new revenues from
25 taxpayers and, as to local sales taxes, the department of

1 revenue;

2 (5) "Conservation area", any improved area within the
3 boundaries of a redevelopment area located within the territorial
4 limits of a municipality in which fifty percent or more of the
5 structures in the area have an age of thirty-five years or more,
6 and such an area is not yet a blighted area but is detrimental to
7 the public health, safety, morals, or welfare and may become a
8 blighted area because of any one or more of the following
9 factors: dilapidation; obsolescence; deterioration; illegal use
10 of individual structures; presence of structures below minimum
11 code standards; abandonment; excessive vacancies; overcrowding of
12 structures and community facilities; lack of ventilation, light
13 or sanitary facilities; inadequate utilities; excessive land
14 coverage; deleterious land use or layout; depreciation of
15 physical maintenance; and lack of community planning;

16 (6) "Development area", an area designated by a
17 municipality in respect to which the municipality has made a
18 finding that there exist conditions which cause the area to be
19 classified as a blighted area or a conservation area, which area
20 shall have the following characteristics:

21 (a) It includes only those parcels of real property
22 directly and substantially benefited by the proposed development
23 plan;

24 (b) It can be renovated through one or more development
25 projects;

1 (c) It shall be located in the central business districts
2 or urban core areas of a city;

3 (d) It has generally suffered from declining population or
4 property taxes for the twenty-year period immediately preceding
5 the area's designation as a development area; and

6 (e) It shall be contiguous; provided, however that a
7 development area may include up to three noncontiguous areas
8 selected for development projects provided that each
9 noncontiguous area meets the requirements of paragraphs (a) to
10 (d) of this subdivision;

11 The development area shall not exceed ten percent of the entire
12 area of the municipality. Subject to the limitation set forth in
13 this subdivision, the development area may be enlarged or
14 modified as provided in section 99.957;

15 (7) "Development plan", the comprehensive program of a
16 municipality to reduce or eliminate those conditions which
17 qualified a development area as a blighted area or a conservation
18 area, and to thereby enhance the tax bases of the taxing
19 districts which extend into the development area through the
20 reimbursement, payment, or other financing of development project
21 costs in accordance with sections 99.915 to 99.984 and through
22 the exercise of the powers set forth in sections 99.915 to
23 99.984. The development plan shall conform to the requirements
24 of section 99.948;

1 (8) "Development project", any development project within a
2 development area which constitutes a major initiative in
3 furtherance of the objectives of the development plan, and any
4 such development project shall include a legal description of the
5 area selected for such development project;

6 (9) "Development project area", the area located within a
7 development area selected for a development project;

8 (10) "Development project costs" include the sum total of
9 all reasonable or necessary costs incurred or estimated to be
10 incurred, and any such costs incidental to the development plan
11 or a development project, as applicable, which are expended on
12 public property, buildings, or rights-of-way for public purposes
13 or for public institutions in furtherance of a development
14 project. Such costs include, but are not limited to, the
15 following:

16 (a) Costs of studies, appraisals, surveys, plans, and
17 specifications;

18 (b) Professional service costs, including but not limited
19 to architectural, engineering, legal, marketing, financial,
20 planning, or special services. Except for the reasonable costs
21 incurred by the authority for the administration of sections
22 99.915 to 99.984, such costs shall be allowed only as an initial
23 expense which to be recoverable shall be included in the costs of
24 a development plan or development project;

25 (c) Property assembly costs, including but not limited to

1 acquisition of land and other property, real or personal, or
2 rights or interests therein, demolition of buildings, and the
3 clearing and grading of land;

4 (d) Costs of rehabilitation, reconstruction, repair, or
5 remodeling of existing buildings and fixtures;

6 (e) Costs of construction of public works or improvements;

7 (f) Financing costs, including but not limited to all
8 necessary and incidental expenses related to the issuance of
9 obligations issued to finance all or any portion of the costs of
10 one or more development projects, and which may include
11 capitalized interest on any such obligations and reasonable
12 reserves related to any such obligations;

13 (g) All or a portion of a taxing district's capital costs
14 resulting from any development project necessarily incurred or to
15 be incurred in furtherance of the objectives of the development
16 plan, to the extent the municipality by written agreement accepts
17 and approves such costs;

18 (h) Relocation costs to the extent that a municipality
19 determines that relocation costs shall be paid or are required to
20 be paid by federal or state law;

21 (i) Payments in lieu of taxes;

22 (j) State government costs, including but not limited to
23 the reasonable costs incurred by the department of economic
24 development, the department of revenue and the office of
25 administration in evaluating an application for and administering

1 state supplemental downtown development financing for a
2 development project; and

3 (k) Endowment of governmental or public institutions of
4 research or higher education;

5 (11) "Economic activity taxes", the total additional
6 revenue from taxes which are imposed by the municipality and
7 other taxing districts, and which are generated by economic
8 activities within each development project area over the amount
9 of such taxes generated by economic activities within such
10 development project area in the baseline year, but excluding
11 personal property taxes, taxes imposed on sales or charges for
12 sleeping rooms paid by transient guests of hotels and motels,
13 licenses, fees, or special assessments. If a retail
14 establishment relocates within one year from one facility to
15 another facility within the same county and the authority finds
16 that the retail establishment is a direct beneficiary of
17 development financing, then for purposes of this definition, the
18 economic activity taxes generated by the retail establishment
19 shall equal the total additional revenues from economic activity
20 taxes which are imposed by the municipality and other taxing
21 district over the amount of economic activity taxes generated by
22 the retail establishment in the baseline year;

23 (12) "Gambling establishment", an excursion gambling boat
24 as defined in section 313.800, RSMo, and any related business
25 facility including any real property improvements which are

directly and solely related to such business facility, whose sole purpose is to provide goods or services to an excursion gambling boat and whose majority ownership interest is held by a person licensed to conduct gambling games on an excursion gambling boat or licensed to operate an excursion gambling boat as provided in sections 313.800 to 313.850, RSMo;

(13) "Major initiative", a development project that:

(a) Promotes tourism, cultural activities, arts, entertainment, education, research, arenas, multipurpose facilities, libraries, ports, mass transit, museums, or conventions, the estimated cost of which is in excess of the amount set forth in paragraph (b) of this subdivision for the municipality, as applicable; or

(b) Promotes business location or expansion, the estimated cost of which is in excess of the amount set forth in this paragraph for the municipality, and is estimated to create at least as many new jobs as set forth in this paragraph within three years of such location or expansion:

<u>Population of</u>	<u>Estimated</u>	<u>New Jobs</u>
<u>Municipality</u>	<u>Project Cost</u>	<u>Created</u>
<u>300,000 or more</u>	<u>\$10,000,000</u>	<u>at least 100</u>
<u>100,000 to 299,999</u>	<u>\$5,000,000</u>	<u>at least 50</u>
<u>99,999 or less</u>	<u>\$1,000,000</u>	<u>at least 10;</u>

(14) "Municipality", any city, village, incorporated town, or any county of this state established on or prior to January 1,

1 2001;

2 (15) "Obligations", bonds, loans, debentures, notes,
3 special certificates, or other evidences of indebtedness issued
4 by the authority or other public entity authorized to issue such
5 obligations pursuant to sections 99.915 to 99.984 to carry out a
6 development project;

7 (16) "Ordinance", an ordinance enacted by the governing
8 body of any municipality or an order of the governing body of
9 such a municipal entity whose governing body is not authorized to
10 enact ordinances;

11 (17) "Other net new revenues", some portion of state sales
12 tax increment or state income tax increment or some combination
13 of a portion of each such increment, as determined under section
14 99.969;

15 (18) "Payment in lieu of taxes", those revenues from real
16 property in each development project area, which taxing districts
17 would have received had the municipality not adopted a
18 development plan and the authority not adopted development
19 financing, and which would result from levies made after the time
20 of the adoption of development financing during the time the
21 current equalized value of real property in such development
22 project area exceeds the total equalized value of real property
23 in such development project area during the calendar year
24 preceding the adoption of the ordinance designating the
25 development project area until the designation is terminated

1 pursuant to subsection 2 of section 99.972 or twenty-five years
2 thereafter, whichever is first;

3 (19) "Special allocation fund", the fund of the
4 municipality or its authority required to be established pursuant
5 to section 99.954, which special allocation fund shall contain at
6 least four separate segregated accounts into which payments in
7 lieu of taxes are deposited in one account, economic activity
8 taxes are deposited in a second account, other net new revenues
9 are deposited in a third account, and other revenues, if any,
10 received by the authority or the municipality for the purpose of
11 implementing a development plan or a development project are
12 deposited in a fourth account;

13 (20) "State income tax increment", the estimate of the
14 income tax due the state for salaries or wages paid to new
15 employees in new jobs at a business located in the development
16 project area and created by the development project. The
17 estimate shall be a percentage of the gross payroll which
18 percentage shall be based upon an analysis by the department of
19 revenue of the practical tax rate on gross payroll as a factor in
20 overall taxable income. In no event shall the percentage exceed
21 two percent;

22 (21) "State sales tax increment", the incremental increase
23 in the state sales tax revenue in the development project area.
24 The incremental increase for an existing facility shall be the
25 amount that the state sales tax revenue of the facility exceeds

1 the state sales tax revenue of the facility in the baseline year.
2 The incremental increase for a relocating facility shall be the
3 amount that the state sales tax revenue of the facility exceeds
4 the state sales tax revenue for the facility in the baseline
5 year;

6 (22) "State sales tax revenues", the general revenue
7 portion of state sales tax revenues received pursuant to section
8 144.020, RSMo, excluding sales taxes that are constitutionally
9 dedicated, taxes deposited to the school district trust fund in
10 accordance with section 144.701, RSMo, sales and use taxes on
11 motor vehicles, trailers, boats and outboard motors and future
12 sales taxes earmarked by law;

13 (23) "Taxing districts", any political subdivision of this
14 state having the power to levy taxes; and

15 (24) "Taxing districts' capital costs", those costs of
16 taxing districts for capital improvements that are found by the
17 municipal governing bodies to be necessary and to directly result
18 from a development project.

19 99.948. 1. A development plan shall set forth in writing a
20 general description of the program to be undertaken to accomplish
21 the development projects and related objectives and shall
22 include, but need not be limited to:

23 (1) The estimated development project costs;

24 (2) The anticipated sources of funds to pay such
25 development project costs;

1 (3) Evidence of the commitments to finance such development
2 project costs;

3 (4) The anticipated type and term of the sources of funds
4 to pay such development project costs;

5 (5) The anticipated type and terms of the obligations to be
6 issued;

7 (6) The most recent equalized assessed valuation of the
8 property within the development project area;

9 (7) An estimate as to the equalized assessed valuation
10 after the development project area is developed in accordance
11 with a development plan; and

12 (8) The general land uses to apply in the development area.

13 2. For municipalities with more than four hundred thousand
14 inhabitants, for any county with a charter form of government and
15 with more than one million inhabitants, and for any city not
16 within a county, the authority shall be required in connection
17 with the designation of the development area, development
18 projects, and development project areas, to work with local
19 community development corporations, as defined in subsection 3 of
20 section 135.400, RSMo, with a goal that over the term of the
21 development plan five percent of the funds generated pursuant to
22 section 99.966 will be expended in connection with such projects.

23 3. The development plan may be adopted by a municipality in
24 reliance on findings that:

25 (1) The development area on the whole is a blighted area or

1 a conservation area;

2 (2) The development area has not been subject to growth and
3 development through investment by private enterprise and would
4 not reasonably be anticipated to be developed without the
5 implementation of one or more development projects and the
6 adoption of development financing;

7 (3) A determination that the development plan conforms to
8 the comprehensive plan for the development of the municipality as
9 a whole;

10 (4) The estimated dates, which shall not be more than
11 twenty-five years from the adoption of the ordinance approving
12 the development area, of completion of any development project
13 and retirement of obligations incurred to finance development
14 project costs have been stated; provided that no ordinance
15 approving a development project shall be adopted later than
16 fifteen years from the adoption of the ordinance approving the
17 development plan and provided that no property for a development
18 project shall be acquired by eminent domain later than ten years
19 from the adoption of the ordinance approving such development
20 plan;

21 (5) In the event any business or residence is to be
22 relocated as a direct result of the implementation of the
23 development plan, a plan has been developed for relocation
24 assistance for businesses and residences;

25 (6) A cost-benefit analysis showing the economic impact of

1 the development plan on the municipality, county, and school
2 district that is at least partially within the boundaries of the
3 development area. The analysis shall show the impact on the
4 economy if the development projects are not built pursuant to the
5 development plan under consideration. The cost-benefit analysis
6 shall include a fiscal impact study on each municipality, county,
7 and school district which is at least partially within the
8 boundaries of the development area, and sufficient information
9 from the authority to evaluate whether each development project
10 as proposed is financially feasible; and

11 (7) A finding that the development plan does not include
12 the initial development or redevelopment of any gambling
13 establishment.

14 99.951. In the event a county of this state desires to
15 designate a development area located in whole or in part within
16 the boundaries of another municipality, such county shall first
17 obtain the permission of the governing body of such other
18 municipality.

19 99.954. 1. A municipality may:

20 (1) Approve by ordinance the exercise by the authority of
21 the powers, functions, and duties of the authority under sections
22 99.915 to 99.984;

23 (2) After adopting an ordinance in accordance with
24 subdivision (1) of this subsection and after receipt of
25 recommendations from the authority in accordance with subsection

1 2 of this section, by ordinance designate development areas and
2 adopt the development plans, development projects, designate a
3 development project area for each development project adopted,
4 and adopt development financing for each such development project
5 area. No development plan may be adopted until the development
6 area is designated. No development project shall be adopted
7 until the development plan is adopted and the development project
8 area for each development project shall be designated at the time
9 of adopting the development project; and

10 (3) Exercise the powers, duties, or functions of the
11 authority under sections 99.915 to 99.984.

12 2. The authority shall hold public hearings and provide
13 notice pursuant to sections 99.957 and 99.960. Within ten days
14 following the completion of any such public hearing, the
15 authority shall vote on and make recommendation to the governing
16 body of the municipality with regard to any development plan,
17 development projects, designation of a development area or
18 amendments thereto which were proposed at such public hearing.

19 99.957. Prior to the adoption of the ordinance designating
20 a development area, adopting a development plan, or adopting a
21 development project, the authority shall fix a time and place for
22 a public hearing and notify each taxing district located wholly
23 or partially within the boundaries of the proposed development
24 area or development project area affected. Such notice shall
25 comply with the provisions of section 99.960. At the public

1 hearing any interested person or affected taxing district may
2 file with the authority written objections to, or comments on,
3 and may be heard orally in respect to, any issues embodied in the
4 notice. The authority shall hear and consider all protests,
5 objections, comments, and other evidence presented at the
6 hearing. The hearing may be continued to another date without
7 further notice other than a motion to be entered upon the minutes
8 fixing the time and place of the subsequent hearing. Prior to
9 the conclusion of the hearing, changes may be made in the
10 development plan or development area, provided that written
11 notice of such changes is available at the public hearing. After
12 the public hearing but prior to the adoption of an ordinance
13 designating a development area, adopting a development plan or
14 adopting a development project, whichever the case may be,
15 changes may be made to any such proposed development plan,
16 development project, or development area without a further
17 hearing if such changes do not enlarge the exterior boundaries of
18 the development area and do not substantially affect the general
19 land uses established in a development plan or development
20 project; provided that notice of such changes shall be given by
21 mail to each affected taxing district and by publication in a
22 newspaper of general circulation in the development area or
23 development project area, as applicable, not less than ten days
24 prior to the adoption of the changes by ordinance. After the
25 adoption of an ordinance designating the development area and

1 adopting a development plan or a development project, no
2 ordinance shall be adopted altering the exterior boundaries of
3 the development area or a development project area, or affecting
4 the general land uses established pursuant to the development
5 plan or the general nature of a development project without
6 holding a public hearing in accordance with this section. One
7 public hearing may be held for the simultaneous consideration of
8 a development area, development plan, or development project.

9 99.960. 1. Notice of the public hearing required by
10 section 99.957 shall be given by publication and mailing. Notice
11 by publication shall be given by publication at least twice, the
12 first publication to be not more than thirty days and the second
13 publication to be not more than ten days prior to the hearing, in
14 a newspaper of general circulation in the proposed development
15 area or development project area, as applicable, and in two
16 minority newspapers, if such newspapers are published in the
17 municipality, of which one shall be published in the Spanish
18 language, if such a newspaper is published in the municipality.
19 Notice by mailing shall be given by depositing such notice in the
20 United States mail by certified mail addressed to the person or
21 persons in whose name the general taxes for the last preceding
22 year were paid on each lot, block, tract, or parcel of land lying
23 within the proposed development area or development project area,
24 as applicable, which is to be subjected to the payment or
25 payments in lieu of taxes and economic activity taxes pursuant to

1 section 99.966. Such notice shall be mailed not less than ten
2 days prior to the date set for the public hearing. In the event
3 taxes for the last preceding year were not paid, the notice shall
4 also be sent to the persons last listed on the tax rolls within
5 the preceding three years as the owners of such property.

6 2. The notices issued pursuant to this section shall
7 include the following:

8 (1) The time and place of the public hearing;

9 (2) The general boundaries of the proposed development area
10 or development project area, as applicable, by street location,
11 where possible;

12 (3) A statement that all interested persons shall be given
13 an opportunity to be heard at the public hearing;

14 (4) A description of the development plan and the proposed
15 development projects and a location and time where the entire
16 development plan or development projects proposed may be reviewed
17 by any interested party;

18 (5) An estimate of other net new revenues; and

19 (6) Such other matters as the authority may deem
20 appropriate.

21 3. Not less than forty-five days prior to the date set for
22 the public hearing, the authority shall give notice by mail as
23 provided in subsection 1 of this section to all taxing districts
24 from which taxable property is included in the development area
25 or development project area, as applicable, and in addition to

1 the other requirements pursuant to subsection 2 of this section,
2 the notice shall include an invitation to each taxing district to
3 submit comments to the authority concerning the subject matter of
4 the hearing prior to the date of the hearing.

5 4. A copy of any and all hearing notices required by
6 section 99.957 shall be submitted by the authority to the
7 director of the department of economic development and the time
8 such notices are mailed or published, as applicable.

9 99.963. 1. For the purpose of financing development
10 project costs, obligations may be issued by the municipality, or,
11 at the request of the municipality, by the authority or any other
12 public entity authorized to issue bonds, to pay or reimburse
13 development project costs. Such obligations when so issued shall
14 be retired in the manner provided in the ordinance or resolution
15 authorizing the issuance of such obligations.

16 2. Obligations issued pursuant to sections 99.915 to 99.984
17 may be issued in one or more series bearing interest at such rate
18 or rates as the issuing entity shall determine by ordinance or
19 resolution. Such obligations shall bear such date or dates, be
20 in such denomination, carry such registration privileges, be
21 executed in such manner, be payable in such medium of payment at
22 such place or places, contain such covenants, terms, and
23 conditions, and be subject to redemption as such ordinance or
24 resolution shall provide. Obligations issued pursuant to
25 sections 99.915 to 99.984 may be sold at public or private sale

1 at such price as shall be determined by the issuing entity and
2 shall state that obligations issued pursuant to sections 99.915
3 to 99.984 are special obligations payable solely from the funds
4 specifically pledged. No referendum approval of the electors
5 shall be required as a condition to the issuance of obligations
6 pursuant to sections 99.915 to 99.984.

7 3. In the event the obligations contain a recital that they
8 are issued pursuant to sections 99.915 to 99.984, such recital
9 shall be conclusive evidence of their validity and of the
10 regularity of their issuance.

11 4. Neither the municipality, the authority, or any other
12 entity issuing such obligations, or the members, commissioners,
13 directors, or the officers of any such entities nor any person
14 executing any obligation shall be personally liable for such
15 obligation by reason of the issuance thereof. The obligations
16 issued pursuant to sections 99.915 to 99.984 shall not be a
17 general obligation of the state, the municipality, county, or any
18 political subdivision thereof, nor in any event shall such
19 obligation be payable out of any funds or properties other than
20 those specifically pledged as security for such obligations. The
21 obligations shall not constitute indebtedness within the meaning
22 of any constitutional, statutory, or charter debt limitation or
23 restriction.

24 99.965. 1. Obligations issued pursuant to sections 99.915
25 to 99.984 may be issued to refund, in whole or in part,

1 obligations theretofore issued by such entity under the authority
2 of sections 99.915 to 99.984, whether at or prior to maturity;
3 provided, however, that the last maturity of the refunding
4 obligations shall not be expressed to mature later than the last
5 maturity date of the obligations to be refunded.

6 2. In the event a municipality or authority issues
7 obligations under home rule powers or other legislative
8 authority, the proceeds of which are pledged to pay for
9 development project costs, the municipality may retire such
10 obligations from funds in the special allocation fund in amounts
11 and in such manner as if such obligations had been issued
12 pursuant to the provisions of sections 99.915 to 99.984.

13 3. State supplemental downtown development financing shall
14 not be used for retiring debt or refinancing pursuant to
15 subsections 1 and 2 of this section without express approval from
16 the director of the department of economic development and the
17 commissioner of the office of administration. No approval shall
18 be granted unless the application for state supplemental downtown
19 development financing contains development projects that are new
20 projects and were not a part of the development projects for
21 which obligations were issued as described in subsections 1 and 2
22 of this section.

23 99.966. 1. A municipality, after designating a development
24 area, adopting a development plan, and adopting any development
25 project in conformance with the procedures of sections 99.915 to

1 99.984, may adopt development financing for the development
2 project area selected for any such development project by passing
3 an ordinance. Upon the adoption of the first of any such
4 ordinances, the municipality shall establish, or shall direct the
5 authority to establish, a special allocation fund for the
6 development area.

7 2. Immediately upon the adoption of a resolution or
8 ordinance adopting development financing for a development
9 project area pursuant to subsection 1 of this section, the county
10 assessor shall determine the total equalized assessed value of
11 all taxable real property within such development project area by
12 adding together the most recently ascertained equalized assessed
13 value of each taxable lot, block, tract, or parcel of real
14 property within such development project area as of the date of
15 the adoption of such resolution or ordinance and shall provide to
16 the clerk of the municipality written certification of such
17 amount as the total initial equalized assessed value of the
18 taxable real property within such development project area.

19 3. In each of the twenty-five calendar years following the
20 adoption of an ordinance adopting development financing for a
21 development project area pursuant to subsection 1 of this section
22 unless and until development financing for such development
23 project area is terminated by ordinance of the municipality, the
24 ad valorem taxes, and payments in lieu of taxes, if any, arising
25 from the levies upon taxable real property in such development

1 project area by taxing districts at the tax rates determined in
2 the manner provided in section 99.975 shall be divided as
3 follows:

4 (1) That portion of taxes, penalties, and interest levied
5 upon each taxable lot, block, tract, or parcel of real property
6 in such development project area which is attributable to the
7 initial equalized assessed value of each such taxable lot, block,
8 tract, or parcel of real property in such development project
9 area as certified by the county assessor in accordance with
10 subsection 2 of this section shall be allocated to and, when
11 collected, shall be paid by the collecting authority to the
12 respective affected taxing districts in the manner required by
13 law in the absence of the adoption of development financing;

14 (2) Payments in lieu of taxes attributable to the increase
15 in the current equalized assessed valuation of each taxable lot,
16 block, tract, or parcel of real property in the development
17 project area and any applicable penalty and interest over and
18 above the initial equalized assessed value of each such taxable
19 lot, block, tract, or parcel of real property in such development
20 project area as certified by the county assessor in accordance
21 with subsection 2 of this section shall be allocated to and, when
22 collected, shall be paid to the treasurer of the municipality who
23 shall deposit such payment in lieu of taxes into a separate
24 segregated account for payments in lieu of taxes of the special
25 fund established in accordance with subsection 1 of this section.

1 Payments in lieu of taxes which are due and owing shall
2 constitute a lien against the real property from which such
3 payments in lieu of taxes are derived and shall be collected in
4 the same manner as real property taxes, including the assessment
5 of penalties and interest where applicable. The lien of payments
6 in lieu of taxes may be foreclosed in the same manner as the lien
7 of real property taxes. No part of the current equalized
8 assessed valuation of each lot, block, tract, or parcel of
9 property in any such development project area attributable to any
10 increase above the initial equalized assessed value of each such
11 taxable lot, block, tract, or parcel of real property in such
12 development project area as certified by the county assessor in
13 accordance with subsection 2 of this section shall be used in
14 calculating the general state school aid formula provided for in
15 section 163.031, RSMo, until development financing for such
16 development project area expires or is terminated in accordance
17 with sections 99.915 to 99.984;

18 (3) For purposes of this section, "levies upon taxable real
19 property in such development area by taxing districts" shall not
20 include the blind pension fund tax levied under the authority of
21 section 38(b), article III of the Missouri Constitution, or the
22 merchants' and manufacturers' inventory replacement tax levied
23 under the authority of subsection 2 of section 6, article X of
24 the Missouri Constitution, the desegregation sales tax, or the
25 conservation taxes.

1 4. In each of the twenty-five calendar years following the
2 adoption of an ordinance or resolution adopting development
3 financing for a development project area pursuant to subsection 1
4 of this section unless and until development financing for such
5 development project area is terminated by ordinance of the
6 municipality, fifty percent of the economic activity taxes from
7 such development project area shall be allocated to and paid by
8 the collecting officer of any such economic activity tax to the
9 treasurer or other designated financial officer of the
10 municipality, who shall deposit such funds in a separate
11 segregated account for economic activity taxes within the special
12 allocation fund.

13 99.969. 1. A municipality may submit an application to the
14 department of economic development for approval of the use of
15 other net new revenues to fund one or more development projects
16 through state supplemental downtown development financing. An
17 application submitted to the department of economic development
18 shall contain the following, in addition to the items set forth
19 in section 99.948:

20 (1) An estimate that one hundred percent of the payments in
21 lieu of taxes and economic activity taxes deposited to the
22 special allocation fund must and will be used to pay development
23 project costs or obligations issued to finance development
24 project costs to achieve the objectives of the development plan.
25 Contributions to the project from any private not-for-profit

1 organization may be substituted on a dollar-for-dollar basis for
2 the local match of one hundred percent of payments in lieu of
3 taxes and economic activity taxes from the fund;

4 (2) Identification of the existing businesses located
5 within the development project area and the development area,
6 respectively;

7 (3) The baseline year amount of state sales tax revenues
8 and the baseline year amount of state income tax withheld on
9 behalf of existing employees, reported by existing businesses
10 within the development project area;

11 (4) An estimate of the state sales tax increment and state
12 income tax increment within the development project area after
13 redevelopment, as applicable;

14 (5) An affidavit that is signed by the developer or
15 developers attesting that the provision of subdivision (2) of
16 subsection 3 of section 99.948 has been met and specifying that
17 the development area would not be reasonably anticipated to be
18 developed without the appropriation of the other net new
19 revenues;

20 (6) The cost-benefit analysis required by section 99.948
21 includes a study of the fiscal impact on the state of Missouri,
22 to include an analysis showing the fiscal impact of the
23 development plan on the state regarding the application of the
24 state school aid formula provided for in section 163,031, RSMo;

25 (7) The amounts and types of other net new revenues sought

1 by the applicant as state supplemental downtown development
2 financing;

3 (8) The methodologies and underlying assumptions used in
4 the application for determining the baseline year amounts and
5 determining the estimate of the state sales tax increment and the
6 state income tax increment, as applicable;

7 (9) An economic feasibility analysis including a pro forma
8 financial statement indicating a return on investment that may be
9 expected without public assistance, both local and via state
10 supplemental downtown development financing through the
11 appropriation of some amount of other net new revenues. The
12 financial statement shall detail any assumptions made and a pro
13 forma statement analysis demonstrating the amount of assistance
14 required to bring the return into a range deemed attractive to
15 private investors; and

16 (10) Any other information reasonably requested by the
17 department of economic development.

18 2. The department of economic development shall make all
19 reasonable efforts to process applications within sixty days of
20 receipt of the application.

21 3. The department shall make recommendations on each
22 application to the commissioner of the office of administration.
23 No state supplemental downtown development financing shall be
24 approved under sections 99.915 to 99.984 without approval from
25 the director of economic development and the commissioner of the

1 office of administration. In no event shall the amount of state
2 supplemental downtown development financing approved for a
3 project, in addition to any other economic development funding or
4 incentives, exceed the projected state benefit of the development
5 project, as determined by the department of economic development.
6 Upon approval of state supplemental downtown development
7 financing, a certificate of approval shall be issued containing
8 the terms and limitations of the financing.

9 4. The present-value aggregate amount of other net new
10 revenues that may be approved for a municipality's state
11 supplemental downtown development financing shall not exceed the
12 following thresholds:

<u>Population of Municipality</u>	<u>Other Net New Revenues</u>
<u>300,000 or more</u>	<u>\$80,000,000</u>
<u>From 100,000 to 299,999</u>	<u>\$40,000,000</u>
<u>99,999 or less</u>	<u>\$20,000,000</u>

17 5. At no time shall the aggregate annual amount of other
18 net new revenues approved for state supplemental downtown
19 development financing exceed fifteen million dollars, or a lesser
20 amount if a lesser amount is, during the fiscal year in which the
21 application is subject to approval, appropriated from the state
22 supplemental downtown development fund created by section 99.970;
23 provided that the general assembly can exceed the cap by a
24 supplemental appropriation.

25 6. Development projects receiving other net new revenues

1 shall be limited to receiving such revenues for fifteen years,
2 unless prior approval for a longer term is given by the director
3 of the department of economic development and the commissioner of
4 the office of administration, as set forth in the certificate of
5 approval; except that, in no case shall the duration exceed
6 twenty-five years. State supplemental downtown development
7 financing shall cease prior to the period herein specified in the
8 event development financing for such development project is
9 terminated by ordinance of the municipality.

10 7. The municipality shall deposit such other net new
11 revenues in a separate segregated account for such other net new
12 revenues within the special allocation fund.

13 8. A reasonable fee may be charged, to be submitted with an
14 application for state supplemental downtown development
15 financing, the amount of which shall be an estimate of the amount
16 needed to recover the costs for personnel and other expenses
17 incurred by the department of economic development in processing
18 the application. Such fees shall be deposited into the state
19 supplemental downtown development fund created under section
20 99.970.

21 9. Development project costs may include, at the
22 prerogative of the state, the portion of salaries and expenses of
23 the department of economic development reasonably allocable to
24 each project approved for state supplemental downtown development
25 financing for the ongoing administrative functions associated

1 with such project. Such amounts shall be deposited into the
2 state supplemental downtown development fund created under
3 section 99.970.

4 10. A development project approved for state supplemental
5 downtown development financing shall not thereafter elect to
6 switch to tax increment financing pursuant to the real property
7 tax increment allocation redevelopment act, sections 99.800 to
8 99.865, and continue to receive state supplemental downtown
9 development financing pursuant to sections 99.915 to 99.984.

10 99.970. 1. There is hereby established within the state
11 treasury a special fund to be known as the "State Supplemental
12 Downtown Development Fund", to be administered by the department
13 of economic development. The fund shall consist of moneys
14 appropriated from the general revenue fund; received from fees
15 charged pursuant to subsection 8 of section 99.969; received from
16 costs charged pursuant to subsection 9 of section 99.969; and
17 from any gifts, contributions, grants or bequests received from
18 federal, private, or other sources.

19 2. The department of economic development shall annually
20 disburse state supplemental downtown development financing from
21 the state supplemental downtown development fund in amounts
22 determined pursuant to the certificates of approval for projects,
23 providing all of the conditions of sections 99.915 to 99.984 are
24 met.

25 3. Moneys in the state supplemental downtown development

1 fund may also be spent, subject to appropriation, for the
2 reasonable and necessary costs associated with the administration
3 of the program authorized under sections 99.915 to 99.984.

4 4. No municipality shall commit any other net new revenues
5 prior to receiving a certificate of approval for that development
6 project.

7 99.972. 1. When all development project costs and all
8 obligations issued to finance development project costs have been
9 paid in full, the municipality shall adopt an ordinance
10 terminating development financing for all development project
11 areas. Immediately upon the adoption of such ordinance, all
12 payments in lieu of taxes, all economic activity taxes, and other
13 net new revenues then remaining in the special allocation fund
14 shall be deemed to be surplus funds; and thereafter, the rates of
15 the taxing districts shall be extended and taxes levied,
16 collected, and distributed in the manner applicable in the
17 absence of the adoption of development financing. Surplus
18 payments in lieu of taxes shall be paid to the county collector
19 who shall immediately thereafter pay such funds to the taxing
20 districts in the development area selected in the same manner and
21 proportion as the most recent distribution by the collector to
22 the affected districts of real property taxes from real property
23 in the development area. Surplus economic activity taxes shall
24 be paid to the taxing districts in the development area in
25 proportion to the then current levy rates of such taxing

1 districts that are attributable to economic activity taxes.
2 Surplus other net new revenues shall be paid to the state. Any
3 other funds remaining in the special allocation fund following
4 the adoption of an ordinance terminating development financing in
5 accordance with this section shall be deposited to the general
6 fund of the municipality.

7 2. Upon the payment of all development project costs,
8 retirement of obligations, and the distribution of any surplus
9 funds pursuant to this section, the municipality shall adopt an
10 ordinance dissolving the special allocation fund and terminating
11 the designation of the development area as a development area.

12 3. Nothing in sections 99.915 to 99.984 shall be construed
13 as relieving property in such areas from paying a uniform rate of
14 taxes, as required by section 3, article X of the Missouri
15 Constitution.

16 99.975. In each of the twenty-five calendar years following
17 the adoption of an ordinance or resolution adopting development
18 financing for a development project area, unless and until
19 development financing for such development project area is
20 terminated by ordinance of the municipality, then, in respect to
21 every taxing district containing such development project area,
22 the county clerk, or any other official required by law to
23 ascertain the amount of the equalized assessed value of all
24 taxable property within such development project area for the
25 purpose of computing any debt service levies to be extended upon

1 taxable property within such development project area, shall in
2 every year that development financing is in effect ascertain the
3 amount of value of taxable property in such development project
4 area by including in such amount the certified total initial
5 equalized assessed value of all taxable real property in such
6 development project area in lieu of the equalized assessed value
7 of all taxable real property in such development project area.
8 For the purpose of measuring the size of payments in lieu of
9 taxes under sections 99.915 to 99.984, all tax levies shall then
10 be extended to the current equalized assessed value of all
11 property in the development project area in the same manner as
12 the tax rate percentage is extended to all other taxable property
13 in the taxing district.

14 99.981. Beginning in 2004, and every five years thereafter,
15 a joint committee of the general assembly, comprised of five
16 members appointed by the speaker of the house of representatives
17 and five members appointed by the president pro tempore of the
18 senate, shall review sections 99.915 to 99.984. A report based
19 on such review, with any recommended legislative changes, shall
20 be submitted to the speaker of the house of representatives and
21 the president pro tempore of the senate no later than February
22 first following the year in which the review is conducted.

23 99.984. 1. By the last day of February each year, the
24 authority shall report to the director of the department of
25 economic development the name, address, phone number, and primary

1 line of business of any business which relocates to the
2 development area.

3 2. Each year the governing body of the municipality, or its
4 designee, shall prepare a report concerning the status of the
5 development plan, the development area, and the included
6 development projects, and shall submit a copy of such report to
7 the director of the department of economic development. The
8 report shall include the following:

9 (1) The amount and source of revenue in the special
10 allocation fund;

11 (2) The amount and purpose of expenditures from the special
12 allocation fund;

13 (3) The amount of any pledge of revenues, including
14 principal and interest on any outstanding bonded indebtedness;

15 (4) The original assessed value of the development area;

16 (5) The assessed valuation added to the development area;

17 (6) Payments made in lieu of taxes received and expended;

18 (7) The economic activity taxes generated within the
19 development area in the baseline year;

20 (8) The economic activity taxes generated within the
21 development area after the baseline year;

22 (9) Reports on contracts made incident to the
23 implementation and furtherance of a development area, the
24 development plan, and the included development projects;

25 (10) A copy of the development plan;

1 (11) The cost of any property acquired, disposed of,
2 rehabilitated, reconstructed, repaired, or remodeled;

3 (12) The number of parcels acquired by or through
4 initiation of eminent domain proceedings;

5 (13) For municipalities with more than four hundred
6 thousand inhabitants, the number of development projects
7 developed in connection with community development corporations
8 and the amount of funds generated pursuant to section 99.966
9 which are expended in connection with such project; and

10 (14) Any additional information the department of economic
11 development deems necessary.

12 3. Data contained in the report required in subsection 1 of
13 this section and any information regarding amounts disbursed to
14 municipalities pursuant to sections 99.966 and 99.969 shall be
15 deemed a public record, as defined in section 610.010, RSMo.

16 4. The director of the department of economic development
17 shall submit a report to the governor, the speaker of the house
18 of representatives, and the president pro tempore of the senate
19 no later than April thirtieth of each year. The report shall
20 contain a summary of all information received by the director of
21 economic development pursuant to subsection 2 of this section.

22 5. An annual statement showing the payments made in lieu of
23 taxes received and expended in that year, the status of the
24 development area, the development plan, and the included
25 development projects therein, amount of outstanding obligations,

1 and any additional information the municipality deems necessary
2 shall be published in a newspaper of general circulation in the
3 municipality.

4 6. Five years after the establishment of the development
5 area and the development plan and every five years thereafter the
6 governing body of the authority shall hold a public hearing
7 regarding the development area and the development plan and the
8 development projects adopted pursuant to sections 99.915 to
9 99.984. The purpose of the hearing shall be to determine if the
10 development area, development plan, and the included development
11 projects are making satisfactory progress under the proposed time
12 schedule contained within the approved development plan for
13 completion of such development projects. Notice of such public
14 hearing shall be given in a newspaper of general circulation in
15 the area served by the authority once each week for four weeks
16 immediately prior to the hearing.

17 326.256. 1. As used in this chapter, the following terms
18 mean:

19 (1) "AICPA", the American Institute of Certified Public
20 Accountants;

21 (2) "Attest", providing the following financial statement
22 services:

23 (a) Any audit or other engagement to be performed in
24 accordance with the Statements on Auditing Standards (SAS);

25 (b) Any examination of prospective financial information to

1 be performed in accordance with the Statements on Standards for
2 Attestation Engagements (SSAE);

3 (3) "Board", the Missouri state board of accountancy
4 established pursuant to section 326.259 or its predecessor
5 pursuant to prior law;

6 (4) "Certificate", a certificate issued pursuant to section
7 326.060 prior to August 28, 2001;

8 (5) "Certified public accountant" or "CPA", the holder of a
9 certificate or license as defined in this section;

10 (6) "Certified public accountant firm", "CPA firm" or
11 "firm", a sole proprietorship, a corporation, a partnership or
12 any other form of organization issued a permit pursuant to
13 section 326.289;

14 (7) "Client", a person or entity that agrees with a
15 licensee or licensee's employer to receive any professional
16 service;

17 (8) "Compilation", providing a service to be performed in
18 accordance with Statements on Standards for Accounting and Review
19 Services (SSARS) that is presented in the form of financial
20 statements information that is the representation of management
21 (owners) without undertaking to express any assurance on the
22 statements;

23 (9) "License", a license issued pursuant to section
24 326.280, or a provisional license issued pursuant to section
25 326.283; or, in each case, an individual license or permit issued

1 pursuant to corresponding provisions of prior law;

2 (10) "Licensee", the holder of a license as defined in this
3 section;

4 (11) "Manager", a manager of a limited liability company;

5 (12) "Member", a member of a limited liability company;

6 (13) "NASBA", the National Association of State Boards of
7 Accountancy;

8 (14) "Peer review", a study, appraisal or review of one or
9 more aspects of the professional work of a licensee or certified
10 public accountant firm that performs attest, review or
11 compilation services, by licensees who are not affiliated either
12 personally or through their certified public accountant firm
13 being reviewed pursuant to the Standards for Performing and
14 Reporting on Peer Reviews promulgated by the AICPA or such other
15 standard adopted by regulation of the board which meets or
16 exceeds the AICPA standards;

17 (15) "Permit", a permit to practice as a certified public
18 accountant firm issued pursuant to section 326.289 or
19 corresponding provisions of prior law or pursuant to
20 corresponding provisions of the laws of other states;

21 (16) "Professional", arising out of or related to the
22 specialized knowledge or skills associated with certified public
23 accountants;

24 (17) "Public [accountancy] accounting":

25 (a) Performing or offering to perform for an enterprise,

1 client or potential client one or more services involving the use
2 of accounting or auditing skills, or one or more management
3 advisory or consulting services, or the preparation of tax
4 returns or the furnishing of advice on tax matters by a person,
5 firm, limited liability company or professional corporation using
6 the title "C.P.A." or "P.A." in signs, advertising, directory
7 listing, business cards, letterheads or other public
8 representations;

9 (b) Signing or affixing a name, with any wording indicating
10 the person or entity has expert knowledge in accounting or
11 auditing to any opinion or certificate attesting to the
12 reliability of any representation or estimate in regard to any
13 person or organization embracing financial information or facts
14 respecting compliance with conditions established by law or
15 contract, including but not limited to statutes, ordinances,
16 rules, grants, loans and appropriations; or

17 (c) Offering to the public or to prospective clients to
18 perform, or actually performing on behalf of clients,
19 professional services that involve or require an audit or
20 examination of financial records leading to the expression of a
21 written attestation or opinion concerning these records;

22 (18) "Report", when used with reference to financial
23 statements, means an opinion, report or other form of language
24 that states or implies assurance as to the reliability of any
25 financial statements, and that also includes or is accompanied by

1 any statement or implication that the person or firm issuing it
2 has special knowledge or competence in accounting or auditing.
3 Such a statement or implication of special knowledge or
4 competence may arise from use by the issuer of the report of
5 names or titles indicating that the person or firm is an
6 accountant or auditor, or from the language of the report itself.
7 The term report includes any form of language which disclaims an
8 opinion when such form of language is conventionally understood
9 to imply any positive assurance as to the reliability of the
10 financial statements referred to or special competence on the
11 part of the person or firm issuing such language, or both, and
12 includes any other form of language that is conventionally
13 understood to imply such assurance or such special knowledge or
14 competence, or both;

15 (19) "Review", providing a service to be performed in
16 accordance with Statements on Standards for Accounting and Review
17 Services (SSARS) that is performing inquiry and analytical
18 procedures that provide the accountant with a reasonable basis
19 for expressing limited assurance that there are no material
20 modifications that should be made to the statements for them to
21 be in conformity with generally accepted accounting principles
22 or, if applicable, with another comprehensive basis of
23 accounting;

24 (20) "State", any state of the United States, the District
25 of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam;

1 except that "this state" means the state of Missouri;

2 (21) "Substantial equivalency", a determination by the
3 board of accountancy or its designee that the education,
4 examination and experience requirements contained in the statutes
5 and administrative rules of another jurisdiction are comparable
6 to or exceed the education, examination and experience
7 requirements contained in this chapter or that an individual
8 certified public accountant's education, examination and
9 experience qualifications are comparable to or exceed the
10 education, examination and experience requirements contained in
11 this chapter;

12 (22) "Transmittal", any transmission of information in any
13 form, including but not limited to any and all documents,
14 records, minutes, computer files, disks or information.

15 2. The statements on standards specified in this section
16 shall be adopted by reference by the board pursuant to rulemaking
17 and shall be those developed for general application by the AICPA
18 or other recognized national accountancy organization as
19 prescribed by board rule.

20 326.271. 1. The board shall promulgate rules of procedure
21 for governing the conduct of matters before the board.

22 2. The board shall promulgate rules of professional conduct
23 for establishing and maintaining high standards of competence and
24 integrity in the profession of public [accountancy] accounting.

25 3. In promulgating rules and regulations regarding the

1 requirements of continuing education, the board:

2 (1) May use and rely upon guidelines and pronouncements of
3 recognized educational and professional associations;

4 (2) May prescribe for content, duration and organization of
5 courses;

6 (3) Shall consider applicant accessibility to continuing
7 education as required by the board, and any impediments to the
8 interstate practice of public [accountancy] accounting which may
9 result from differences in requirements in states;

10 (4) May in its discretion relax or suspend continuing
11 education requirements for instances of individual hardship;

12 (5) Shall not require the completion of more than one
13 hundred twenty hours of continuing education or its equivalent in
14 any three-year period, not more than one-third of which shall be
15 required in any one year. The continuing education requirements
16 must be capable of being fulfilled in programs or courses
17 reasonably available to licensees within the state.

18 4. The board may require by rule licensees to submit any
19 continuing education reporting as the board deems necessary.

20 5. Any rule or portion of a rule, as that term is defined
21 in section 536.010, RSMo, that is created under the authority
22 delegated in this chapter shall become effective only if it
23 complies with and is subject to all of the provisions of chapter
24 536, RSMo, and, if applicable, section 536.028, RSMo. This
25 chapter and chapter 536, RSMo, are nonseverable and if any of the

1 powers vested with the general assembly pursuant to chapter 536,
2 RSMo, to review, to delay the effective date or to disapprove and
3 annul a rule are subsequently held unconstitutional, then the
4 grant of rulemaking authority and any rule proposed or adopted
5 after August 28, 2001, shall be invalid and void.

6 326.280. 1. A license shall be granted by the board to any
7 person who meets the requirements of this chapter and who:

8 (1) Is a resident of this state or has a place of business
9 in this state or, as an employee, is regularly employed in this
10 state;

11 (2) Has attained the age of twenty-one years;

12 (3) Is of good moral character;

13 (4) Either:

14 (a) Applied for the initial examination prior to June 30,
15 1999, and holds a baccalaureate degree conferred by an accredited
16 college or university recognized by the board, with a
17 concentration in accounting or the substantial equivalent of a
18 concentration in accounting as determined by the board; or

19 (b) Applied for the initial examination on or after June
20 30, 1999, and has at least one hundred fifty semester hours of
21 college education, including a baccalaureate or higher degree
22 conferred by an accredited college or university recognized by
23 the board, with the total educational program including an
24 accounting concentration or equivalent as determined by board
25 rule to be appropriate;

1 (5) Has passed an examination in accounting, auditing and
2 such other related subjects as the board shall determine is
3 appropriate; and

4 (6) Has had one year of experience. Experience shall be
5 verified by a licensee and shall include any type of service or
6 advice involving the use of accounting, attest, review,
7 compilation, management advisory, financial advisory, tax or
8 consulting skills including governmental accounting, budgeting or
9 auditing. The board shall promulgate rules and regulations
10 concerning the verifying licensee's review of the applicant's
11 experience.

12 2. The board [shall] may prescribe by rule the terms and
13 conditions for reexaminations and fees to be paid for
14 reexaminations.

15 3. A person who, on August 28, 2001, holds an individual
16 permit issued pursuant to the laws of this state shall not be
17 required to obtain additional licenses pursuant to sections
18 326.280 to 326.286, and the licenses issued shall be considered
19 licenses issued pursuant to sections 326.280 to 326.286.
20 However, such persons shall be subject to the provisions of
21 section 326.286 for renewal of licenses.

22 4. Upon application, the board may issue a temporary
23 license to an applicant pursuant to this subsection for a person
24 who has made a prima facie showing that the applicant meets all
25 of the requirements for a license and possesses the experience

1 required. The temporary license shall be effective only until
2 the board has had the opportunity to investigate the applicant's
3 qualifications for licensure pursuant to subsection 1 of this
4 section and notify the applicant that the applicant's application
5 for a license has been granted or rejected. In no event shall a
6 temporary license be in effect for more than twelve months after
7 the date of issuance nor shall a temporary license be reissued to
8 the same applicant. No fee shall be charged for a temporary
9 license. The holder of a temporary license which has not
10 expired, been suspended or revoked shall be deemed to be the
11 holder of a license issued pursuant to this section until the
12 temporary license expires, is terminated, suspended or revoked.

13 5. An applicant for an examination who meets the
14 educational requirements of subdivision (4) of subsection 1 of
15 this section or who reasonably expects to meet those requirements
16 within sixty days after the examination shall be eligible for
17 examination if the applicant also meets the requirements of
18 subdivisions (1), (2) and (3) of subsection 1 of this section.
19 For an applicant admitted to examination on the reasonable
20 expectation that the applicant will meet the educational
21 requirements within sixty days, no license shall be issued nor
22 credit for the examination or any part thereof given unless the
23 educational requirement is in fact met within the sixty-day
24 period.

25 326.283. 1. (1) An individual whose principal place of

1 business is not in this state and has a valid designation to
2 practice public [accountancy] accounting from any state which the
3 board has determined by rule to be in substantial equivalence
4 with the licensure requirements of sections 326.250 to 326.331,
5 or if the individual's qualifications are substantially
6 equivalent to the licensure requirements of sections 326.250 to
7 326.331, shall be presumed to have qualifications substantially
8 equivalent to this state's requirements and shall have all the
9 privileges of licensees of this state, provided the individual
10 shall notify the board of his or her intent to engage in the
11 practice of accounting with a client within this state whether in
12 person, by electronic or technological means, or any other
13 manner. The board by rule may require individuals to obtain a
14 license.

15 (2) Any individual of another state exercising the
16 privilege afforded pursuant to this section consents as a
17 condition of the grant of this privilege to:

18 (a) The personal and subject matter jurisdiction and
19 disciplinary authority of the board;

20 (b) Comply with this chapter and the board's rules; and

21 (c) The appointment of the state board which issued the
22 individual's license as his or her agent upon whom process may be
23 served in any action or proceeding by this board against the
24 individual.

25 (3) Nothing in this section shall prohibit temporary

1 practice in this state for professional business incidental to a
2 CPA's regular practice outside this state. "Temporary practice"
3 means that practice which is a continuation or extension of an
4 engagement for a client located outside this state, which
5 engagement began outside this state and extends into this state
6 through common ownership, existence of a subsidiary, assets or
7 other operations located within this state.

8 2. A licensee of this state offering or rendering services
9 or using his or her certified public accountant title in another
10 state shall be subject to disciplinary action in this state for
11 an act committed in another state for which the licensee would be
12 subject to discipline for an act committed in the other state.
13 Notwithstanding the provisions of section 326.274 to the
14 contrary, the board may investigate any complaint made by the
15 board of accountancy of another state.

16 326.286. 1. The board may grant or renew licenses to
17 persons who make application and demonstrate that[:

18 (1)] their qualifications, including the qualifications
19 prescribed by section 326.280, are in accordance with this
20 section[; or

21 (2) They are eligible under the substantial equivalency
22 standard pursuant to subsection 1 of section 326.283].

23 2. Licenses shall be initially issued and renewed for
24 periods of not more than three years and shall expire on the
25 renewal date following issuance or renewal. Applications for

1 licenses shall be made in such form, and in the case of
2 applications for renewal, between such dates, as the board by
3 rule shall specify. Application and renewal fees shall be
4 determined by the board by rule.

5 3. With regard to applicants that do not qualify for
6 reciprocity [under] pursuant to subsection 1 of this section, or
7 a provisional license through the substantial equivalency
8 standard set out in subsection 1 of section 326.283, the board
9 may issue a license to an applicant upon a showing that:

10 (1) The applicant passed the examination required for
11 issuance of the applicant's certificate with grades that would
12 have been passing grades at the time in this state;

13 (2) The applicant had four years of experience outside of
14 this state of the type described in subdivision (6) of subsection
15 1 of section 326.280 or meets equivalent requirements prescribed
16 by the board by rule, after passing the examination upon which
17 the applicant's license was based and within the ten years
18 immediately preceding the application; and

19 (3) If the applicant's certificate, license or permit was
20 issued more than four years prior to the application for issuance
21 of a license pursuant to this section, the applicant has
22 fulfilled the requirements of continuing professional education
23 that would have been applicable pursuant to subsection 6 of this
24 section.

25 4. As an alternative to the requirements of subsection 3 of

1 this section, a certified public accountant licensed by another
2 state who establishes a principal place of business in this state
3 shall request the issuance of a license from the board prior to
4 establishing the principal place of business. The board may
5 issue a license to the person who obtains verification from the
6 NASBA National Qualification Appraisal Service that the
7 individual's qualifications are substantially equivalent to the
8 licensure requirements of sections 326.250 to 326.331.

9 5. An application pursuant to this section may be made
10 through the NASBA Qualification Appraisal Service.

11 6. For renewal of a license pursuant to this section, each
12 licensee shall participate in a program of learning designed to
13 maintain professional competency. The program of learning shall
14 comply with rules adopted by the board. The board may create by
15 rule an exception to such requirement for licensees who do not
16 perform or offer to perform for the public one or more kinds of
17 services involving the use of accounting or auditing skills,
18 including issuance of reports on financial statements or of one
19 or more kinds of management advisory, financial advisory or
20 consulting services, or the preparation of tax returns or the
21 furnishing of advice on tax matters. Licensees granted an
22 exception by the board shall place the word "inactive" adjacent
23 to their certified public accountant title on any business card,
24 letterhead or any other document or device, except their
25 certified public accountant certificate, on which their certified

1 public accountant title appears.

2 7. Applicants for initial issuance or renewal of licenses
3 pursuant to this section shall list all states in which they have
4 applied for or hold certificates, licenses or permits and list
5 any past denial, revocation or suspension or any discipline of a
6 certificate, license or permit. Each holder of or applicant for
7 a license shall notify the board in writing within thirty days
8 after its occurrence of any issuance, denial, revocation or
9 suspension or any discipline of a certificate, license or permit
10 by another state.

11 8. The board may issue a license to a holder of a
12 substantially equivalent foreign designation, provided that:

13 (1) The foreign authority which granted the designation
14 makes similar provisions to allow a person who holds a valid
15 license issued by this state to obtain such foreign authority's
16 comparable designation; and

17 (2) The foreign designation:

18 (a) Was duly issued by a foreign authority that regulates
19 the practice of public [accountancy] accounting and the foreign
20 designation has not expired or been revoked or suspended;

21 (b) Entitles the holder to issue reports upon financial
22 statements; and

23 (c) Was issued upon the basis of educational, examination
24 and experience requirements established by the foreign authority
25 or by law; and

1 (3) The applicant:

2 (a) Received the designation based on educational and
3 examination standards substantially equivalent to those in effect
4 in this state at the time the foreign designation was granted;

5 (b) Completed an experience requirement substantially
6 equivalent to the requirement set out in subdivision (6) of
7 subsection 1 of section 326.280 in the jurisdiction which granted
8 the foreign designation or has completed four years of
9 professional experience in this state, or meets equivalent
10 requirements prescribed by the board by rule within the ten years
11 immediately preceding the application; and

12 (c) Passed a uniform qualifying examination in national
13 standards and an examination on the laws, regulations and code of
14 ethical conduct in effect in this state acceptable to the board.

15 9. An applicant pursuant to subsection 8 of this section
16 shall list all jurisdictions, foreign and domestic, in which the
17 applicant has applied for or holds a designation to practice
18 public [accountancy] accounting. Each holder of a license issued
19 pursuant to this subsection shall notify the board in writing
20 within thirty days after its occurrence of any issuance, denial,
21 revocation, suspension or any discipline of a designation or
22 commencement of a disciplinary or enforcement action by any
23 jurisdiction.

24 10. The board has the sole authority to interpret the
25 application of the provisions of subsections 8 and 9 of this

1 section.

2 [11. The board shall require by rule as a condition for
3 renewal of a license by any licensee who performs review or
4 compilation services for the public other than through a
5 certified public accountant firm that the individual undergo, no
6 more frequently than once every three years, a peer review
7 conducted in a manner as the board by rule shall specify, and the
8 review shall include verification that the individual has met the
9 competency requirements set out in professional standards for
10 such services.]

11 326.289. 1. The board may grant or renew permits to
12 practice as a certified public accounting firm to entities that
13 make application and demonstrate their qualifications in
14 accordance with this section or to certified public accounting
15 firms originally licensed in another state that establish an
16 office in this state. A firm shall hold a permit issued pursuant
17 to this section to provide attest, review or compilation services
18 or to use the title certified public accountant or certified
19 public accounting firm.

20 2. Permits shall be initially issued and renewed for
21 periods of not more than three years or for a specific period as
22 prescribed by board rule following issuance or renewal.

23 3. The board shall determine by rule the form for
24 application and renewal of permits and shall annually determine
25 the fees for permits and their renewals.

1 4. An applicant for initial issuance or renewal of a permit
2 to practice pursuant to this section shall be required to show
3 that:

4 (1) Notwithstanding any other provision of law to the
5 contrary, a simple majority of the ownership of the firm, in
6 terms of financial interests and voting rights of all partners,
7 officers, principals, shareholders, members or managers, belongs
8 to licensees who are licensed in some state, and the partners,
9 officers, principals, shareholders, members or managers, whose
10 principal place of business is in this state and who perform
11 professional services in this state are licensees pursuant to
12 section 326.280 or the corresponding provision of prior law.
13 Although firms may include nonlicensee owners, the firm and its
14 ownership shall comply with rules promulgated by the board;

15 (2) Any certified public accounting firm may include owners
16 who are not licensees, provided that:

17 (a) The firm designates a licensee of this state who is
18 responsible for the proper registration of the firm and
19 identifies that individual to the board;

20 (b) All nonlicensee owners are active individual
21 participants in the certified public accounting firm or
22 affiliated entities;

23 (c) The firm complies with other requirements as the board
24 may impose by rule;

25 (3) Any licensee, initially licensed on or after August 28,

1 2001, who is responsible for supervising attest[, review or
2 compilation] services, or signs or authorizes someone to sign the
3 licensee's report on the financial statements on behalf of the
4 firm, shall meet competency requirements as determined by the
5 board by rule which shall include one year of experience in
6 addition to the experience required pursuant to subdivision (6)
7 of subsection 1 of section 326.280 and shall be verified by a
8 licensee. The additional experience required by this subsection
9 shall include experience in attest work supervised by a licensee;

10 (4) Any licensee who is responsible for supervising review
11 services or signs or authorizes someone to sign review reports
12 shall meet the competency requirements as determined by board by
13 rule which shall include experience in review services.

14 5. An applicant for initial issuance or renewal of a permit
15 to practice shall register each office of the firm within this
16 state with the board and show that all attest, review and
17 compilation services rendered in this state are under the charge
18 of a licensee.

19 6. No licensee or firm holding a permit pursuant to this
20 chapter shall use a professional or firm name or designation that
21 is misleading as to:

22 (1) The legal form of the firm;

23 (2) The persons who are partners, officers, members,
24 managers or shareholders of the firm; or

25 (3) Any other matter.

1 The names of one or more former partners, members or shareholders
2 may be included in the name of a firm or its successor unless the
3 firm becomes a sole proprietorship because of the death or
4 withdrawal of all other partners, officers, members or
5 shareholders. A firm may use a fictitious name if the fictitious
6 name is registered with the board and is not otherwise
7 misleading. The name of a firm shall not include the name or
8 initials of an individual who is not a present or a past partner,
9 member or shareholder of the firm or its predecessor. The name
10 of the firm shall not include the name of an individual who is
11 not a licensee.

12 7. Applicants for initial issuance or renewal of permits
13 shall list in their application all states in which they have
14 applied for or hold permits as certified public accounting firms
15 and list any past denial, revocation, suspension or any
16 discipline of a permit by any other state. Each holder of or
17 applicant for a permit pursuant to this section shall notify the
18 board in writing within thirty days after its occurrence of any
19 change in the identities of partners, principals, officers,
20 shareholders, members or managers whose principal place of
21 business is in this state; any change in the number or location
22 of offices within this state; any change in the identity of the
23 persons in charge of such offices; and any issuance, denial,
24 revocation, suspension or any discipline of a permit by any other
25 state.

1 8. Firms which fall out of compliance with the provisions
2 of this section due to changes in firm ownership or personnel
3 after receiving or renewing a permit shall take corrective action
4 to bring the firm back into compliance as quickly as possible.
5 The board may grant a reasonable period of time for a firm to
6 take such corrective action. Failure to bring the firm back into
7 compliance within a reasonable period as defined by the board may
8 result in the suspension or revocation of the firm permit.

9 9. The board shall require by rule, as a condition to the
10 renewal of permits, that firms undergo, no more frequently than
11 once every three years, peer reviews conducted in a manner as the
12 board shall specify. The review shall include a verification
13 that individuals in the firm who are responsible for supervising
14 attest, review and compilation services or sign or authorize
15 someone to sign the accountant's report on the financial
16 statements on behalf of the firm meet the competency requirements
17 set out in the professional standards for such services, provided
18 that any such rule:

19 (1) Shall include reasonable provision for compliance by a
20 firm showing that it has within the preceding three years
21 undergone a peer review that is a satisfactory equivalent to peer
22 review generally required pursuant to this subsection;

23 (2) May require, with respect to peer reviews, that peer
24 reviews be subject to oversight by an oversight body established
25 or sanctioned by board rule, which shall periodically report to

1 the board on the effectiveness of the review program under its
2 charge and provide to the board a listing of firms that have
3 participated in a peer review program that is satisfactory to the
4 board; and

5 (3) Shall require, with respect to peer reviews, that the
6 peer review processes be operated and documents maintained in a
7 manner designed to preserve confidentiality, and that the board
8 or any third party other than the oversight body shall not have
9 access to documents furnished or generated in the course of the
10 peer review of the firm except as provided in subdivision (2) of
11 this subsection.

12 10. Prior to January 1, 2008, licensees who perform fewer
13 than three attest services during each calendar year shall be
14 exempt from the requirements of subsection 9 of this section.

15 11. The board may, by rule, charge a fee for oversight of
16 peer reviews, provided that the fee charged shall be
17 substantially equivalent to the cost of oversight.

18 12. In connection with proceedings before the board or upon
19 receipt of a complaint involving the licensee performing peer
20 reviews, the board shall not have access to any documents
21 furnished or generated in the course of the performance of the
22 peer reviews except for peer review reports, letters of comment
23 and summary review memoranda. The documents shall be furnished
24 to the board only in a redacted manner that does not specifically
25 identify any firm or licensee being peer reviewed or any of their

1 clients.

2 13. The peer review processes shall be operated and the
3 documents generated thereby be maintained in a manner designed to
4 preserve their confidentiality. No third party, other than the
5 oversight body, the board, subject to the provisions of
6 subsection 12 of this section, or the organization performing
7 peer review shall have access to documents furnished or generated
8 in the course of the review. All documents shall be privileged
9 and closed records for all purposes and all meetings at which the
10 documents are discussed shall be considered closed meetings
11 pursuant to subdivision (1) of section 610.021, RSMo. The
12 proceedings, records and workpapers of the board and any peer
13 review subjected to the board process shall be privileged and
14 shall not be subject to discovery, subpoena or other means of
15 legal process or introduction into evidence at any civil action,
16 arbitration, administrative proceeding or board proceeding. No
17 member of the board or person who is involved in the peer review
18 process shall be permitted or required to testify in any civil
19 action, arbitration, administrative proceeding or board
20 proceeding as to any matters produced, presented, disclosed or
21 discussed during or in connection with the peer review process or
22 as to any findings, recommendations, evaluations, opinions or
23 other actions of such committees or any of its members; provided,
24 however, that information, documents or records that are publicly
25 available shall not be subject to discovery or use in any civil

1 action, arbitration, administrative proceeding or board
2 proceeding merely because they were presented or considered in
3 connection with the peer review process.

4 326.292. 1. Only licensees may issue a report on financial
5 statements of any person, firm, organization or governmental unit
6 or offer to render or render any attest service. Such
7 restriction shall not prohibit any act of a public official or
8 public employee in the performance of the person's duties as
9 such; nor prohibit the performance by any nonlicensee of other
10 services involving the use of accounting skills, including the
11 preparation of tax returns, management advisory services and the
12 preparation of nonattest financial statements. Nonlicensees may
13 prepare financial statements and issue nonattest transmittals or
14 information thereon which do not purport to be in compliance with
15 the Statements on Standards for Accounting and Review Services
16 (SSARS).

17 2. Only certified public accountants shall use or assume
18 the title certified public accountant, or the abbreviation CPA or
19 any other title, designation, words, letters, abbreviation, sign,
20 card or device tending to indicate that such person is a
21 certified public accountant. Nothing in this section shall
22 prohibit:

23 (1) A certified public accountant whose certificate was in
24 full force and effect, issued pursuant to the laws of this state
25 prior to August 28, 2001, and who does not engage in the practice

1 of public accounting, auditing, bookkeeping or any similar
2 occupation, from using the title certified public accountant or
3 abbreviation CPA;

4 (2) A person who holds a certificate, then in force and
5 effect, issued pursuant to the laws of this state prior to August
6 28, 2001, and who is regularly employed by or is a director or
7 officer of a corporation, partnership, association or business
8 trust, in his or her capacity as such, from signing, delivering
9 or issuing any financial, accounting or related statement, or
10 report thereon relating to such corporation, partnership,
11 association or business trust provided the capacity is so
12 designated, and provided in the signature line the title CPA or
13 certified public accountant is not designated.

14 3. No firm shall provide attest services or assume or use
15 the title certified public accountants or the abbreviation CPAs,
16 or any other title, designation, words, letters, abbreviation,
17 sign, card or device tending to indicate that such firm is a
18 certified public accounting firm unless:

19 (1) The firm holds a valid permit issued pursuant to
20 section 326.289; and

21 (2) Ownership of the firm is in accord with section 326.289
22 and rules promulgated by the board.

23 4. Only persons holding a valid license or permit issued
24 pursuant to section 326.280 or 326.289 shall assume or use the
25 title certified accountant, chartered accountant, enrolled

1 accountant, licensed accountant, registered accountant,
2 accredited accountant or any other title or designation likely to
3 be confused with the titles certified public accountant or public
4 accountant, or use any of the abbreviations CA, LA, RA, AA or
5 similar abbreviation likely to be confused with the abbreviation
6 CPA or PA. The title enrolled agent or EA shall only be used by
7 individuals so designated by the Internal Revenue Service.

8 Nothing in this section shall prohibit the use or issuance of a
9 title for nonattest services provided that the organization and
10 the title issued by the organization existed prior to August 28,
11 2001.

12 5. (1) Nonlicensees shall not use language in any
13 statement relating to the financial affairs of a person or entity
14 that is conventionally used by certified public accountants in
15 reports on financial statements. Nonlicensees may use the
16 following safe harbor language:

17 (a) For compilations:

18 "I (We) have prepared the accompanying (financial statements) of
19 (name of entity) as of (time period) for the (period) then ended.
20 This presentation is limited to preparing in the form of a
21 financial statement information that is the representation of
22 management (owners). I (We) have not audited or reviewed the
23 accompanying financial statements and accordingly do not express
24 an opinion or any other form of assurance on them.";

25 (b) For reviews:

1 "I (We) reviewed the accompanying (financial statements) of
2 (name of entity) as of (time period) for the (period) then ended.
3 These financial statements (information) are (is) the
4 responsibility of the company's management. I (We) have not
5 audited the accompanying financial statements and accordingly do
6 not express an opinion or any other form of assurance on them.".

7 (2) Only persons or firms holding a valid license or permit
8 issued pursuant to section 326.280 or 326.289 shall assume or use
9 any title or designation that includes the words accountant or
10 accounting in connection with any other language, including the
11 language of a report, that implies that the person or firm holds
12 a license or permit or has special competence as an accountant or
13 auditor; provided, however, that this subsection shall not
14 prohibit any officer, partner, principal, member, manager or
15 employee of any firm or organization from affixing such person's
16 own signature to any statement in reference to the financial
17 affairs of the firm or organization with any wording designating
18 the position, title or office that the person holds therein nor
19 prohibit any act of a public official or employee in the
20 performance of the person's duties as such. Nothing in this
21 subsection shall prohibit the singular use of "accountant" or
22 "accounting" for nonattest purposes.

23 6. Licensees signing or authorizing someone to sign reports
24 on financial statements when performing attest, review or
25 compilation services shall provide those services in accordance

1 with professional standards as determined by the board by rule.

2 7. No licensee or holder of a provisional license or firm
3 holding a permit pursuant to sections 326.280 to 326.289 shall
4 use a professional or firm name or designation that is misleading
5 about the legal form of the firm, or about the persons who are
6 partners, principals, officers, members, managers or shareholders
7 of the firm, or about any other matter.

8 8. None of the foregoing provisions of this section shall
9 apply to a person or firm holding a certification, designation,
10 degree or license granted in a foreign country entitling the
11 holder to engage in the practice of public [accountancy]
12 accounting or its equivalent in the country whose activities in
13 this state are limited to the provision of professional services
14 to persons or firms who are residents of, governments of, or
15 business entities of the country in which the person holds the
16 entitlement, who performs no attest, review or compilation
17 services and who issues no reports with respect to the financial
18 statements of any other persons, firms or governmental units in
19 this state, and who does not use in this state any title or
20 designation other than the one under which the person practices
21 in such country, followed by a translation of such title or
22 designation into the English language, if it is in a different
23 language, and by the name of such country.

24 9. No licensee whose license is issued pursuant to section
25 326.280 or issued pursuant to prior law shall perform attest

1 services through any certified public accounting firm that does
2 not hold a valid permit issued pursuant to section 326.289.

3 10. [No individual licensee shall issue a report in
4 standard form upon a compilation or review of financial
5 information through any form of business that does not hold a
6 valid permit issued pursuant to section 326.289 unless the report
7 discloses the name of the business through which the individual
8 is issuing the report, and the individual:

9 (1) Signs the compilation or review report identifying the
10 individual as a licensee;

11 (2) Meets the competency requirement provided in applicable
12 standards; and

13 (3) Undergoes, no less frequently than once every three
14 years, a peer review conducted in a manner as the board by rule
15 shall specify, and the review shall include verification that the
16 individual has met the competency requirements set out in
17 professional standards for such services.

18 11.] Nothing herein shall prohibit a practicing attorney or
19 firm of attorneys from preparing or presenting records or
20 documents customarily prepared by an attorney or firm of
21 attorneys in connection with the attorney's professional work in
22 the practice of law.

23 [12.] 11. Nothing herein shall prohibit any trustee,
24 executor, administrator, referee or commissioner from signing and
25 certifying financial reports incident to his or her duties in

1 that capacity.

2 [13.] 12. Nothing herein shall prohibit any director or
3 officer of a corporation, partner or a partnership, sole
4 proprietor of a business enterprise, member of a joint venture,
5 member of a committee appointed by stockholders, creditors or
6 courts, or an employee of any of the foregoing, in his or her
7 capacity as such, from signing, delivering or issuing any
8 financial, accounting or related statement, or report thereon,
9 relating to the corporation, partnership, business enterprise,
10 joint venture or committee, provided the capacity is designated
11 on the statement or report.

12 [14.] 13. (1) A licensee shall not for a commission
13 recommend or refer to a client any product or service, or for a
14 commission recommend or refer any product or service to be
15 supplied by a client, or receive a commission, when the licensee
16 also performs for that client:

17 (a) An audit or review of a financial statement; or

18 (b) A compilation of a financial statement when the
19 licensee expects, or reasonably may expect, that a third party
20 will use the financial statement and the licensee's compilation
21 report does not disclose a lack of independence; or

22 (c) An examination of prospective financial information.

23 Such prohibition applies during the period in which the licensee
24 is engaged to perform any of the services listed above and the
25 period covered by any historical financial statements involved in

1 such listed services.

2 (2) A licensee who is not prohibited by this section from
3 performing services for or receiving a commission and who is paid
4 or expects to be paid a commission shall disclose in writing that
5 fact to any person or entity to whom the licensee recommends or
6 refers a product or service to which the commission relates.

7 (3) Any licensee who accepts a referral fee for
8 recommending or referring any service of a licensee to any person
9 or entity or who pays a referral fee to obtain a client shall
10 disclose in writing the acceptance or payment to the client.

11 [15.] 14. (1) A licensee shall not:

12 (a) Perform for a contingent fee any professional services
13 for, or receive a fee from, a client for whom the licensee or the
14 licensees's firm performs:

15 a. An audit or review of a financial statement; or

16 b. A compilation of a financial statement when the licensee
17 expects, or reasonably might expect, that a third party will use
18 the financial statement and the licensee's compilation report
19 does not disclose a lack of independence; or

20 c. An examination of prospective financial information;

21 [or]

22 (b) Prepare an original [or amended] tax return or claim
23 for a tax refund for a contingent fee for any client; or

24 (c) Prepare an amended tax return or claim for a tax refund
25 for a contingent fee for any client, unless permitted by board

1 rule.

2 (2) The prohibition in subdivision (1) of this subsection
3 applies during the period in which the licensee is engaged to
4 perform any of those services and the period covered by any
5 historical financial statements involved in any services.

6 (3) A contingent fee is a fee established for the
7 performance of any service pursuant to an arrangement in which no
8 fee will be charged unless a specified finding or result is
9 attained, or in which the amount of the fee is otherwise
10 dependent upon the finding or result of the service. Solely for
11 purposes of this section, fees are not regarded as being
12 contingent if fixed by courts or other public authorities, or, in
13 tax matters, if determined based on the results of judicial
14 proceedings or the findings of governmental agencies. A
15 licensee's fees may vary depending, for example, on the
16 complexity of services rendered.

17 [16.] 15. Any person who violates any provision of
18 subsections 1 to 5 of this section shall be guilty of a class A
19 misdemeanor. Whenever the board has reason to believe that any
20 person has violated this section it may certify the facts to the
21 attorney general of this state or bring other appropriate
22 proceedings.

23 347.187. 1. A limited liability company created pursuant
24 to sections 347.010 to 347.187 or entering the state pursuant to
25 sections 347.010 to 347.187 and its authorized persons, or their

1 equivalent, shall have the duty to withhold and pay such taxes as
2 are imposed by the laws of this state or any political
3 subdivision thereof on a basis consistent with such limited
4 liability company's classification pursuant to Section 7701 of
5 the Internal Revenue Code of 1986, as amended.

6 2. Solely for the purposes of chapter 143, RSMo, [chapter
7 144, RSMo, and chapter 288, RSMo,] a limited liability company
8 and its members shall be classified and treated on a basis
9 consistent with the limited liability company's classification
10 for federal income tax purposes. For purposes of chapter 144,
11 RSMo, and chapter 288, RSMo, a limited liability company and its
12 authorized members or managers shall be treated on a basis
13 consistent with the election made by the limited liability
14 company pursuant to section 347.079, as the election appears in
15 the articles of organization of the limited liability company
16 pursuant to subdivision (4) of subsection 1 of section 347.039.

17 349.010. As used in sections 349.010 to 349.100, unless the
18 context otherwise requires, the following words and terms shall
19 have the meanings indicated:

20 (1) "Corporations" means any authority organized pursuant
21 to the provisions of sections 349.010 to 349.100.

22 (2) ["County and municipality".] "County" means any county
23 in the state. ["Municipality" means any city, incorporated town
24 or village in the state.]

25 (3) "Governing body" shall mean the board or body in which

1 the general legislative powers of the county or municipality are
2 vested.

3 (4) "Municipality" means any city, incorporated town or
4 village in the state.

5 (5) "Project" means the purchase, construction, extension
6 and improvement of plants, buildings, structures, or facilities,
7 whether or not now in existence, including the real estate, used
8 or to be used as a factory, assembly plant, manufacturing plant,
9 processing plant, fabricating plant, distribution center,
10 warehouse building, public facility, waterborne vessels excepting
11 commercial passenger vessels for hire in a city not within a
12 county built prior to 1950, office building, for-profit or
13 not-for-profit hospital, not-for-profit nursing or retirement
14 facility or combination thereof, physical fitness, recreational,
15 indoor and resident outdoor facilities operated by not-for-profit
16 organizations, child or adult day care facilities operated by
17 not-for-profit organizations, commercial or agricultural
18 facility, or facilities for the prevention, reduction or control
19 of pollution. Included in all of the above shall be any required
20 fixtures, equipment and machinery. Excluded are facilities
21 designed for the sale or distribution to the public of
22 electricity, gas, water or telephone, together with any other
23 facilities for cable television and those commonly classified as
24 public utilities. Projects of a municipal authority must be
25 located wholly within the incorporated limits of the municipality

1 except that such projects may be located outside the corporate
2 limits of such municipality and within the county in which the
3 municipality is located with permission of the governing body of
4 the county. Projects of a county authority must be located within
5 an unincorporated area of such county except that such projects
6 may be located within the incorporated limits of a municipality
7 within such county, when approved by the governing body of the
8 municipality.

9 351.055. The articles of incorporation shall set forth:

10 (1) The name of the corporation;

11 (2) The address, including street and number, if any, of
12 its initial registered office in this state, and the name of its
13 initial registered agent at such address;

14 (3) The aggregate number of shares which the corporation
15 shall have the authority to issue, and the number of shares of
16 each class, if any, that are to have a par value and the par
17 value of each share of each such class, and the number of shares
18 of each class, if any, that are to be without par value and also
19 a statement of the preferences, qualifications, limitations,
20 restrictions, and the special or relative rights including
21 convertible rights, if any, in respect of the shares of each
22 class;

23 (4) The extent, if any, to which the preemptive right of a
24 shareholder to acquire additional shares is limited or denied;

25 (5) The name and place of residence of each incorporator;

1 (6) Either (a) the number of directors to constitute the
2 first board of directors and a statement to the effect that
3 thereafter the number of directors shall be fixed by, or in the
4 manner provided in, the bylaws of the corporation, and that any
5 changes shall be reported to the secretary of state within thirty
6 calendar days of such change, or (b) the number of directors to
7 constitute the board of directors, except that the number of
8 directors to constitute the board of directors must be stated in
9 the articles of incorporation if the corporation is to have less
10 than three directors. The persons to constitute the first board
11 of directors may, but need not, be named;

12 (7) The number of years the corporation is to continue,
13 which may be any number or perpetual;

14 (8) The purposes for which the corporation is formed;

15 (9) If the incorporators, the directors pursuant to
16 subsection 1 of section 351.090 or the shareholders pursuant to
17 subsection 2 of section 351.090 choose to do so, a provision
18 eliminating or limiting the personal liability of a director to
19 the corporation or its shareholders for monetary damages for
20 breach of fiduciary duty as a director, provided that such
21 provision shall not eliminate or limit the liability of a
22 director (a) for any breach of the director's duty of loyalty to
23 the corporation or its shareholders, (b) for acts or omissions
24 not in subjective good faith or which involve intentional
25 misconduct or a knowing violation of law, (c) pursuant to section

1 351.345 or (d) for any transaction from which the director
2 derived an improper personal benefit. No such provision shall
3 eliminate or limit the liability of a director for any act or
4 omission occurring prior to the date when such provision becomes
5 effective. On motion to dismiss, a person challenging the
6 applicability of such a provision shall plead facts challenging
7 such applicability, and on motion for summary judgment shall have
8 the burden of proving that the provision does not apply. All
9 references in this subdivision to a director shall also be deemed
10 to refer (e) to a member of the governing body of a corporation
11 which is not authorized to issue capital stock and (f) to such
12 other person or persons, if any, who, pursuant to a provision of
13 the articles of incorporation in accordance with this chapter,
14 exercise or perform any of the powers or duties otherwise
15 conferred or imposed upon the board of directors by this chapter;

16 (10) Any other provisions, not inconsistent with law, which
17 the incorporators, the directors pursuant to subsection 1 of
18 section 351.090 or the shareholders pursuant to subsection 2 of
19 section 351.090 may choose to insert.

20 351.056. Every corporation may in its articles of
21 incorporation confer upon the holders of any bonds, debentures,
22 or other obligations issued or to be issued by the corporation
23 the power to vote in respect to the corporate affairs and
24 management of the corporation to the extent and in the manner
25 provided in the articles of incorporation and may confer upon

1 such holders of bonds, debentures or other obligations the same
2 right of inspection of its books, accounts and other records, and
3 also any other rights, which the shareholders of the corporation
4 have or may have by reason of this chapter or of its articles of
5 incorporation. If the articles of incorporation so provide, such
6 holders of bonds, debentures or other obligations shall be deemed
7 to be shareholders, and their bonds, debentures or other
8 obligations shall be deemed to be shares of stock, for the
9 purpose of any provision of this chapter which requires the vote
10 of shareholders as a prerequisite to any corporate action and the
11 articles of incorporation may divest the holders of capital
12 stock, in whole or in part, of their right to vote on any
13 corporate matter whatsoever, except as set forth in section
14 351.093.

15 351.120. 1. Every corporation organized pursuant to the
16 laws of this state, including corporations organized pursuant to
17 or subject to this chapter, and every foreign corporation
18 licensed to do business in this state, whether such license shall
19 have been issued pursuant to this chapter or not, other than
20 corporations exempted from taxation by the laws of this state,
21 shall file an annual corporation registration report [stating
22 its].

23 2. The annual corporate registration report shall state the
24 corporate name, the name of its registered agent and such agent's
25 Missouri address, giving street and number, or building and

1 number, or both, as the case may require, the name and correct
2 business or residence address of its officers and directors, and
3 the mailing address of the corporation's principal place of
4 business or corporate headquarters.

5 3. The annual [corporation] corporate registration report
6 shall be due on the date that the corporation's franchise tax
7 report is due as required in section 147.020, RSMo, or within
8 thirty days of the date of incorporation of the corporation[;
9 but]. Any extension of time for filing the franchise tax report
10 shall not apply to the due date of the annual corporation
11 registration report. Any corporation that is not required to
12 file a franchise tax report shall still be required to file an
13 annual corporation registration report.

14 4. In the event of any change in the names and addresses of
15 the officers and directors set forth in an annual registration
16 report following the required date of its filing and the date of
17 the next such required report, the corporation may correct such
18 information by filing a certificate of correction pursuant to
19 section 351.049.

20 5. A corporation may change the corporation's registered
21 office or registered agent with the filing of the corporation's
22 annual registration report. To change the corporation's
23 registered agent with the filing of the annual registration
24 report, the corporation must include the new registered agent's
25 written consent to the appointment as registered agent and a

1 written consent stating that such change in registered agents was
2 authorized by resolution duly adopted by the board of directors.
3 The written consent must be signed by the new registered agent
4 and must include such agent's address. If the annual corporate
5 registration report is not completed correctly, the secretary of
6 state may reject the filing of such report. Such corporation and
7 any foreign corporation, shall reside at its registered office
8 and the office of its registered agent as well as at each office
9 at which it maintains an agent for the transaction of any of its
10 usual business.

11 6. A corporation's annual registration report must be filed
12 in a format as prescribed by the secretary of state.

13 351.140. Each registration required by section 351.120
14 shall be on a form to be supplied by the secretary of state and
15 shall be [signed] executed subject to the penalties of making a
16 false declaration under section 575.060, RSMo, by the president,
17 a vice president, the secretary, an assistant secretary, the
18 treasurer or an assistant treasurer of the corporation. Whenever
19 any corporation is in the hands of an assignee or receiver, it
20 shall be the duty of such assignee or receiver, or one of them,
21 if there be more than one, to register such corporation and
22 otherwise comply with the requirements of this chapter. The
23 forms shall bear a notice stating that false statements made
24 therein are punishable under section 575.060, RSMo.

25 351.145. It shall be the duty of the secretary of state to

1 [provide blank corporate registration forms] send notice that the
2 annual corporate registration report is due to each corporation
3 in this state required to register[, addressed]. The notice
4 shall be directed to its registered office as disclosed
5 originally by its articles of incorporation or by its application
6 for a certificate of authority to transact business in this state
7 and thereafter as disclosed by its registration for the year
8 preceding, as provided by law[, or addressed to the president or
9 a vice president at the principal place of business or corporate
10 headquarters of the corporation as the same appears in the
11 records of the secretary of state]. The secretary of state may
12 provide a form of the annual corporate registration report for
13 filing in a format and medium prescribed by the secretary of
14 state.

15 351.150. No corporation shall be excused for its failure to
16 comply with the provisions of this chapter by reason of failure
17 to receive the [blanks] notice in section 351.145 required to be
18 [mailed] given by the secretary of state.

19 351.155. It shall be the duty of the secretary of state to
20 furnish [duplicate blanks] forms of annual corporate registration
21 reports to any corporation upon request [of its president, or
22 secretary] to any representative of the corporation, but no such
23 [duplicate blanks] form of the annual corporate registration
24 report shall be furnished unless the name of the corporation for
25 which they are desired shall accompany the request.

1 351.182. 1. Subject to any provisions in the articles of
2 incorporation, every corporation may create and issue, whether or
3 not in connection with the issue and sale of any shares of stock
4 or other securities of the corporation, rights or options
5 entitling the holders thereof to purchase from the corporation
6 any shares of its capital stock of any class or classes, such
7 rights or options to be evidenced by or in such instrument or
8 instruments as is approved by the board of directors. If at the
9 time the corporation issues rights or options, there is
10 insufficient authorized and unissued shares to provide the shares
11 needed if and when the rights or options are exercised, the
12 granting of the rights or options shall not be invalid solely by
13 reason of the lack of sufficient authorized but unissued shares.

14 2. The terms upon which any such shares may be purchased
15 from the corporation upon the exercise of any such right or
16 option, shall be as stated in the articles of incorporation, or
17 in a resolution adopted by the board of directors providing for
18 the creation and issue of such rights or options, and, in every
19 case, shall be set forth or incorporated by reference in the
20 instrument or instruments evidencing such rights or options.
21 Such terms may include, but not be limited to:

22 (1) The duration of such rights or options, which may be
23 limited or unlimited;

24 (2) The price or prices at which any such shares may be
25 purchased from the corporation upon the exercise of any such

1 right or option;

2 (3) The holders by whom such rights or options may be
3 exercised;

4 (4) The conditions to or which may preclude or limit the
5 exercise, transfer or receipt of such rights or options, or which
6 may invalidate or void such rights or options, including without
7 limitation conditions based upon a specified number or percentage
8 of outstanding shares, rights, options, convertible securities,
9 or obligations of the corporation as to which any person or
10 persons or their transferees own or offer to acquire; and

11 (5) The conditions upon which such rights or options may be
12 redeemed.

13 Such terms may be made dependent upon facts ascertainable outside
14 the documents evidencing the rights, or the resolution providing
15 for the issue of the rights or options adopted by the board of
16 directors, if the manner in which the facts shall operate upon
17 the exercise of the rights or options is clearly and expressly
18 set forth in the document evidencing the rights or options, or in
19 the resolution. In the absence of actual fraud in the
20 transaction, the judgment of the directors as to the
21 consideration for the issuance of such rights or options and the
22 sufficiency thereof and the terms of such rights or options shall
23 be conclusive. In case the shares of stock of the corporation to
24 be issued upon the exercise of such rights or options shall be

1 shares having a par value, the price or prices so to be received
2 therefor shall not be less than the par value thereof. In case
3 the shares of stock so to be issued shall be shares of stock
4 without par value, the consideration therefor shall be determined
5 in the manner provided in section 351.185. Nothing contained in
6 subsection 1 of section 351.180 shall be deemed to limit the
7 authority of the board of directors to determine, in its sole
8 discretion, the terms of the rights or options issuable pursuant
9 to this section.

10 3. The board of directors may, by a resolution adopted by
11 the board, authorize one or more officers of the corporation to
12 do one or both of the following:

13 (1) Designate officers and employees of the corporation or
14 any of its subsidiaries to be recipients of such rights or
15 options created by the corporation; and

16 (2) Determine the number of such rights or options to be
17 received by such officers and employees; provided, however, that
18 the resolution so authorizing such officer or officers shall
19 specify the total number of rights or options such officer or
20 officers may so award. The board of directors may not authorize
21 an officer to designate himself or herself as a recipient of any
22 such rights or options.

23 351.455. 1. If a shareholder of a corporation which is a
24 party to a merger or consolidation [shall file with such
25 corporation, prior to or], and in the case of a shareholder

1 owning voting stock is entitled to vote at the meeting of
2 shareholders at which the plan of merger or consolidation is
3 submitted to a vote, shall file with such corporation prior to or
4 at such meeting a written objection to such plan of merger or
5 consolidation, and shall not vote in favor thereof, and such
6 shareholder, within twenty days after the merger or consolidation
7 is effected, shall make written demand on the surviving or new
8 corporation for payment of the fair value of his shares as of the
9 day prior to the date on which the vote was taken approving the
10 merger or consolidation, the surviving or new corporation shall
11 pay to such shareholder, upon surrender of his certificate or
12 certificates representing said shares, the fair value thereof.
13 Such demand shall state the number and class of the shares owned
14 by such dissenting shareholder. Any shareholder failing to make
15 demand within the twenty day period shall be conclusively
16 presumed to have consented to the merger or consolidation and
17 shall be bound by the terms thereof.

18 2. If within thirty days after the date on which such
19 merger or consolidation was effected the value of such shares is
20 agreed upon between the dissenting shareholder and the surviving
21 or new corporation, payment therefor shall be made within ninety
22 days after the date on which such merger or consolidation was
23 effected, upon the surrender of his certificate or certificates
24 representing said shares. Upon payment of the agreed value the
25 dissenting shareholder shall cease to have any interest in such

1 shares or in the corporation.

2 3. If within such period of thirty days the shareholder and
3 the surviving or new corporation do not so agree, then the
4 dissenting shareholder may, within sixty days after the
5 expiration of the thirty day period, file a petition in any court
6 of competent jurisdiction within the county in which the
7 registered office of the surviving or new corporation is
8 situated, asking for a finding and determination of the fair
9 value of such shares, and shall be entitled to judgment against
10 the surviving or new corporation for the amount of such fair
11 value as of the day prior to the date on which such vote was
12 taken approving such merger or consolidation, together with
13 interest thereon to the date of such judgment. The judgment
14 shall be payable only upon and simultaneously with the surrender
15 to the surviving or new corporation of the certificate or
16 certificates representing said shares. Upon the payment of the
17 judgment, the dissenting shareholder shall cease to have any
18 interest in such shares, or in the surviving or new corporation.
19 Such shares may be held and disposed of by the surviving or new
20 corporation as it may see fit. Unless the dissenting shareholder
21 shall file such petition within the time herein limited, such
22 shareholder and all persons claiming under him shall be
23 conclusively presumed to have approved and ratified the merger or
24 consolidation, and shall be bound by the terms thereof.

25 4. The right of a dissenting shareholder to be paid the

1 fair value of his shares as herein provided shall cease if and
2 when the corporation shall abandon the merger or consolidation.

3 5. When the remedy provided for pursuant to this section is
4 available with respect to a transaction, it shall be the
5 exclusive remedy of the shareholder as to that transaction except
6 in the case of fraud or lack of authorization for the
7 transaction.

8 355.856. 1. Each domestic corporation, and each foreign
9 corporation authorized pursuant to this chapter to transact
10 business in this state, shall [deliver to] file with the
11 secretary of state an annual corporate registration report on a
12 form prescribed and furnished by the secretary of state that sets
13 forth:

14 (1) The name of the corporation and the state or country
15 under whose law it is incorporated;

16 (2) The address of its registered office and the name of
17 its registered agent at the office in this state;

18 (3) The address of its principal office;

19 (4) The names and business or residence addresses of its
20 directors and principal officers;

21 (5) A brief description of the nature of its activities;

22 (6) Whether or not it has members;

23 (7) If it is a domestic corporation, whether it is a public
24 benefit or mutual benefit corporation; and

25 (8) If it is a foreign corporation, whether it would be a

1 public benefit or mutual benefit corporation had it been
2 incorporated in this state.

3 2. The information in the annual corporate registration
4 report must be current on the date the annual corporate
5 registration report is executed on behalf of the corporation.

6 3. The first annual corporate registration report must be
7 delivered to the secretary of state no later than August
8 thirty-first of the year following the calendar year in which a
9 domestic corporation was incorporated or a foreign corporation
10 was authorized to transact business. Subsequent annual corporate
11 registration reports must be delivered to the secretary of state
12 no later than August thirty-first of the following calendar
13 years. If an annual corporate registration report is not filed
14 within the time limits prescribed by this section, the secretary
15 of state shall not accept the report unless it is accompanied by
16 a fifteen-dollar fee. Failure to file the annual registration
17 report as required by this section will result in the
18 administrative dissolution of the corporation as set forth in
19 section 355.706.

20 4. If an annual corporate registration report does not
21 contain the information required by this section, the secretary
22 of state shall promptly notify the reporting domestic or foreign
23 corporation in writing and return the report to it for
24 correction. If the report is corrected to contain the
25 information required by this section and delivered to the

1 secretary of state within thirty days after the effective date of
2 notice, it is deemed to be timely filed.

3 5. A corporation may change the corporation's registered
4 office or registered agent with the filing of the corporation's
5 annual registration report. To change the corporation's
6 registered agent with the filing of the annual registration
7 report, the corporation must include the new registered agent's
8 written consent to the appointment as registered agent and a
9 written consent stating that such change in registered agents was
10 authorized by resolution duly adopted by the board of directors.
11 The written consent must be signed by the new registered agent
12 and must include such agent's address. If the annual corporate
13 registration report is not completed correctly, the secretary of
14 state may reject the filing of such report.

15 6. A corporation's annual registration report must be filed
16 in a format and medium prescribed by the secretary of state.

17 356.211. 1. Each professional corporation and each foreign
18 professional corporation shall file[, in duplicate,] with the
19 secretary of state an annual corporation registration report
20 [simultaneously with] at the time the corporation's franchise tax
21 report [setting] is due. Any extension of time for filing the
22 franchise tax report shall not apply to the due date of the
23 annual corporation registration report. Any corporation that is
24 not required to file a franchise tax report shall still be
25 required to file an annual corporation registration report. The

1 corporate registration report shall set forth the following
2 information:

3 (1) The names and residence addresses of all officers,
4 directors and shareholders of that professional corporation as of
5 the date of the report;

6 (2) A statement that each officer, director and shareholder
7 is or is not a qualified person as defined in sections 356.011 to
8 356.261, and setting forth the date on which any shares of the
9 professional corporation were no longer owned by a qualified
10 person, and any subsequent disposition thereof;

11 (3) A statement as to whether or not suit has been
12 instituted to fix the fair value of any shares not owned by a
13 qualified person, and if so, the date on which and the court in
14 which the same was filed.

15 2. The report shall be made on a form to be prescribed and
16 furnished by the secretary of state, and shall be [signed]
17 executed by the president or vice president, subject to the
18 penalties of making a false declaration under section 575.060,
19 RSMo. The form shall bear a notice stating that false statements
20 made therein are punishable under section 575.060, RSMo. A
21 reasonable filing fee to be set by the secretary of state shall
22 be paid with the filing of each report, and no other fees shall
23 be charged therefor; except that, penalty and interest fees may
24 be imposed by the secretary of state for late filings. The
25 report shall be filed subject to the time requirements of section

1 351.120, RSMo. [The duplicate original copy of the annual report
2 shall be forwarded to each licensing authority that regulates the
3 professional services for which the corporation is organized to
4 practice.]

5 3. If a professional corporation or foreign professional
6 corporation shall fail to file a report qualifying with the
7 provisions of this section when such a filing is due, then the
8 corporation shall be subject to the provisions of chapter 351,
9 RSMo, that are applicable to a corporation that has failed to
10 timely file the annual report required to be filed under chapter
11 351, RSMo.

12 392.410. 1. A telecommunications company not possessing a
13 certificate of public convenience and necessity from the
14 commission at the time this section goes into effect shall have
15 not more than ninety days in which to apply for a certificate of
16 service authority from the commission pursuant to this chapter
17 unless a company holds a state charter issued in or prior to the
18 year 1913 which charter authorizes a company to engage in the
19 telephone business. No telecommunications company not exempt
20 from this subsection shall transact any business in this state
21 until it shall have obtained a certificate of service authority
22 from the commission pursuant to the provisions of this chapter,
23 except that any telecommunications company which is providing
24 telecommunications service on September 28, 1987, and which has
25 not been granted or denied a certificate of public convenience

1 and necessity prior to September 28, 1987, may continue to
2 provide that service exempt from all other requirements of this
3 chapter until a certificate of service authority is granted or
4 denied by the commission so long as the telecommunications
5 company applies for a certificate of service authority within
6 ninety days from September 28, 1987.

7 2. No telecommunications company offering or providing, or
8 seeking to offer or provide, any interexchange telecommunications
9 service shall do so until it has applied for and received a
10 certificate of interexchange service authority pursuant to the
11 provisions of subsection 1 of this section. No
12 telecommunications company offering or providing, or seeking to
13 offer or provide, any local exchange telecommunications service
14 shall do so until it has applied for and received a certificate
15 of local exchange service authority pursuant to the provisions of
16 section 392.420.

17 3. No certificate of service authority issued by the
18 commission shall be construed as granting a monopoly or exclusive
19 privilege, immunity or franchise. The issuance of a certificate
20 of service authority to any telecommunications company shall not
21 preclude the commission from issuing additional certificates of
22 service authority to another telecommunications company providing
23 the same or equivalent service or serving the same geographical
24 area or customers as any previously certified company, except to
25 the extent otherwise provided by section 392.450.

1 4. Any certificate of public convenience and necessity
2 granted by the commission to a telecommunications company prior
3 to September 28, 1987, shall remain in full force and effect
4 unless modified by the commission, and such companies need not
5 apply for a certificate of service authority in order to continue
6 offering or providing service to the extent authorized in such
7 certificate of public convenience and necessity. Any such
8 carrier, however, prior to substantially altering the nature or
9 scope of services provided under a certificate of public
10 convenience and necessity, or adding or expanding services beyond
11 the authority contained in such certificate, shall apply for a
12 certificate of service authority for such alterations or
13 additions pursuant to the provisions of this section.

14 5. The commission may review and modify the terms of any
15 certificate of public convenience and necessity issued to a
16 telecommunications company prior to September 28, 1987, in order
17 to ensure its conformity with the requirements and policies of
18 this chapter. Any certificate of service authority may be
19 altered or modified by the commission after notice and hearing,
20 upon its own motion or upon application of the person or company
21 affected. Unless exercised within a period of one year from the
22 issuance thereof, authority conferred by a certificate of service
23 authority or a certificate of public convenience and necessity
24 shall be null and void.

25 6. The commission may issue a temporary certificate which

1 shall remain in force not to exceed one year to assure
2 maintenance of adequate service or to serve particular customers,
3 without notice and hearing, pending the determination of an
4 application for a certificate.

5 7. No political subdivision of this state shall provide or
6 offer for sale, either to the public or to a telecommunications
7 provider, a telecommunications service or telecommunications
8 facility used to provide a telecommunications service for which a
9 certificate of service authority is required pursuant to this
10 section. Nothing in this subsection shall be construed to
11 restrict a political subdivision from allowing the
12 nondiscriminatory use of its rights-of-way including its poles,
13 conduits, ducts and similar support structures by
14 telecommunications providers or from providing to
15 telecommunications providers, within the geographic area in which
16 it lawfully operates as a municipal utility, telecommunications
17 services or telecommunications facilities on a nondiscriminatory,
18 competitively-neutral basis, and at a price which covers cost,
19 including imputed costs that the political subdivision would
20 incur if it were a for-profit business. Nothing in this
21 subsection shall restrict a political subdivision from providing
22 telecommunications services or facilities:

23 (1) For its own use;

24 (2) For 911, E-911 or other emergency services;

25 (3) For medical or educational purposes;

1 (4) To students by an educational institution; or

2 (5) Internet-type services.

3 [The provisions of this subsection shall expire on August 28,
4 2002.]

5 393.700. Sections 393.700 to 393.770 [and section 386.025,
6 RSMo,] shall be known as the "Joint Municipal Utility Commission
7 Act".

8 393.705. As used in sections 393.700 to 393.770 [and
9 sections 386.025, RSMo, and 393.295], the following terms shall,
10 unless the context clearly indicates otherwise, have the
11 following meanings:

12 (1) "Bond" or "bonds", any bonds, interim certificates,
13 notes, debentures or other obligations of a commission issued
14 pursuant to sections 393.700 to 393.770 [and sections 386.025,
15 RSMo, and 393.295];

16 (2) "Commission", any joint municipal utility commission
17 established by a joint contract under sections 393.700 to 393.770
18 [and sections 386.025, RSMo, and 393.295];

19 (3) "Contracting municipality", each municipality which is
20 a party to a joint contract establishing a commission under
21 sections 393.700 to 393.770 and sections 386.025, RSMo, and
22 393.295, a water supply district formed under the provisions of
23 chapter 247, RSMo, or a sewer district formed pursuant to the
24 provisions of chapter 204, RSMo, or chapter 249, RSMo;

1 (4) "Joint contract", the contract entered into among or by
2 and between two or more of the following contracting entities for
3 the purpose of establishing a commission:

4 (a) Municipalities;

5 (b) Public water supply districts;

6 (c) Sewer districts;

7 (d) Nonprofit water companies; or

8 (e) Nonprofit sewer companies;

9 (5) "Person", a natural person, cooperative or private
10 corporation, association, firm, partnership, or business trust of
11 any nature whatsoever, organized and existing under the laws of
12 any state or of the United States and any municipality or other
13 municipal corporation, governmental unit, or public corporation
14 created under the laws of this state or the United States, and
15 any person, board, or other body declared by the laws of any
16 state or the United States to be a department, agency or
17 instrumentality thereof;

18 (6) "Project", the purchasing, construction, extending or
19 improving of any revenue-producing water, sewage, gas or electric
20 light works, heating or power plants, including all real and
21 personal property of any nature whatsoever to be used in
22 connection therewith, together with all parts thereof and
23 appurtenances thereto, used or useful in the generation,
24 production, transmission, distribution excluding retail sales,
25 purchase, sale, exchange, transport and treatment of sewage or

1 interchange of water, sewage, electric power and energy, or any
2 interest therein or right to capacity thereof and the acquisition
3 of fuel of any kind for any such purposes.

4 393.715. 1. The general powers of a commission to the
5 extent provided in section 393.710 [herein and subject to the
6 provisions of section 393.765] herein shall include the power to:

7 (1) Plan, develop, acquire, construct, reconstruct,
8 operate, manage, dispose of, participate in, maintain, repair,
9 extend or improve one or more projects, either exclusively or
10 jointly or by participation with electric cooperative
11 associations, municipally owned or public utilities or acquire
12 any interest in or any rights to capacity of a project, within or
13 outside the state, and act as an agent, or designate one or more
14 other persons participating in a project to act as its agent, in
15 connection with the planning, acquisition, construction,
16 operation, maintenance, repair, extension or improvement of such
17 project;

18 (2) Acquire, sell, distribute and process fuels necessary
19 to the production of electric power and energy; provided,
20 however, the commission shall not have the power or authority to
21 erect, own, use or maintain a transmission line which is parallel
22 or generally parallel to another transmission line in place
23 within a distance of two miles, which serves the same general
24 area sought to be served by the commission unless the public
25 service commission finds that it is not feasible to utilize the

1 transmission line which is in place;

2 (3) Acquire by purchase or lease, construct, install, and
3 operate reservoirs, pipelines, wells, check dams, pumping
4 stations, water purification plants, and other facilities for the
5 production, wholesale distribution, and utilization of water and
6 to own and hold such real and personal property as may be
7 necessary to carry out the purposes of its organization;
8 provided, however, that a commission shall not sell or distribute
9 water, at retail or wholesale, within the certificated area of a
10 water corporation which is subject to the jurisdiction of the
11 public service commission unless the sale or distribution of
12 water is within the boundaries of a public water supply district
13 or municipality which is a contracting municipality in the
14 commission and the commission has obtained the approval of the
15 public service commission prior to commencing such said sale or
16 distribution of water;

17 (4) Acquire by purchase or lease, construct, install, and
18 operate lagoons, pipelines, wells, pumping stations, sewage
19 treatment plants and other facilities for the treatment and
20 transportation of sewage and to own and hold such real and
21 personal property as may be necessary to carry out the purposes
22 of its organization;

23 (5) Enter into operating, franchises, exchange,
24 interchange, pooling, wheeling, transmission and other similar
25 agreements with any person;

1 (6) Make and execute contracts and other instruments
2 necessary or convenient to the exercise of the powers of the
3 commission;

4 (7) Employ agents and employees;

5 (8) Contract with any person, within or outside the state,
6 for the construction of any project or for any interest therein
7 or any right to capacity thereof, without advertising for bids,
8 preparing final plans and specifications in advance of
9 construction, or securing performance and payment of bonds,
10 except to the extent and on such terms as its board of directors
11 shall determine. Any contract entered into pursuant to this
12 subdivision shall contain a provision that the requirements of
13 sections 290.210 to 290.340, RSMo, shall apply;

14 (9) Purchase, sell, exchange, transmit, treat, dispose or
15 distribute water, sewage, gas, heat or electric power and energy,
16 or any by-product resulting therefrom, within and outside the
17 state, in such amounts as it shall determine to be necessary and
18 appropriate to make the most effective use of its powers and to
19 meet its responsibilities, and to enter into agreements with any
20 person with respect to such purchase, sale, exchange, treatment,
21 disposal or transmission, on such terms and for such period of
22 time as its board of directors shall determine. A commission may
23 not sell or distribute water, gas, heat or power and energy, or
24 sell sewage service at retail to ultimate customers outside the
25 boundary limits of its contracting municipalities except pursuant

1 to subsection 2 or 3 of this section;

2 (10) Acquire, own, hold, use, lease, as lessor or lessee,
3 sell or otherwise dispose of, mortgage, pledge, or grant a
4 security interest in any real or personal property, commodity or
5 service or interest therein;

6 (11) Exercise the powers of eminent domain for public use
7 as provided in chapter 523, RSMo, except that the power of
8 eminent domain shall not be exercised against any electric
9 cooperative association, municipally owned or public utility;

10 (12) Incur debts, liabilities or obligations including the
11 issuance of bonds pursuant to the authority granted in section 27
12 of article VI of the Missouri Constitution;

13 (13) Sue and be sued in its own name;

14 (14) Have and use a corporate seal;

15 (15) Fix, maintain and revise fees, rates, rents and
16 charges for functions, services, facilities or commodities
17 provided by the commission;

18 (16) Make, and from time to time, amend and repeal, bylaws,
19 rules and regulations not inconsistent with this section to carry
20 into effect the powers and purposes of the commission;

21 (17) Notwithstanding the provisions of any other law,
22 invest any funds held in reserve or sinking funds, or any funds
23 not required for immediate disbursement, including the proceeds
24 from the sale of any bonds, in such obligations, securities and
25 other investments as the commission deems proper;

1 (18) Join organizations, membership in which is deemed by
2 the board of directors to be beneficial to accomplishment of the
3 commission's purposes;

4 (19) Exercise any other powers which are deemed necessary
5 and convenient by the commission to effectuate the purposes of
6 the commission; and

7 (20) Do and perform any acts and things authorized by this
8 section under, through or by means of an agent or by contracts
9 with any person.

10 2. When a municipality purchases a privately owned water
11 utility and a commission is created pursuant to sections 393.700
12 to 393.770, the commission may continue to serve those locations
13 previously receiving water from the private utility even though
14 the location receives such service outside the geographical area
15 of the municipalities forming the commission. New water service
16 may be provided in such areas if the site to receive such service
17 is located within one-fourth of a mile from a site serviced by
18 the privately owned water utility.

19 3. When a commission created by any of the contracting
20 entities listed in subdivision (4) of section 393.705 becomes a
21 successor to any nonprofit water corporation, nonprofit sewer
22 corporation or other nonprofit agency or entity organized to
23 provide water or sewer service, the commission may continue to
24 serve, as well as provide new service to, those locations and
25 areas previously receiving water or sewer service from such

1 nonprofit entity, regardless of whether or not such location
2 receives such service outside the geographical service area of
3 the contracting entities forming such commission; provided that
4 such locations and areas previously receiving water and sewer
5 service from such nonprofit entity are not located within:

6 (1) Any county of the first classification with a
7 population of more than six hundred thousand and less than nine
8 hundred thousand;

9 (2) The boundaries of any sewer district established
10 pursuant to article VI, section 30(a) of the Missouri
11 Constitution; or

12 (3) The certificated area of a water or sewer corporation
13 that is subject to the jurisdiction of the public service
14 commission.

15 393.725. 1. Bonds issued pursuant to sections 393.700 to
16 393.770 by a commission shall be payable, as to the principal and
17 interest, solely from the net revenues derived by the commission
18 from the operation of the commission's project or projects, after
19 providing for the costs of operation and maintenance of the
20 commission's project or projects, or from any other funds made
21 available to the commission from sources other than from proceeds
22 of taxation.

23 2. Each bond issued pursuant to the provisions of sections
24 393.700 to 393.770 shall contain a statement that such bond is
25 not an indebtedness of the state, or of any political subdivision

1 thereof, other than the joint municipal utility commission, or of
2 the contracting municipalities, the contracting public water
3 supply districts or the contracting sewer districts, but shall be
4 special obligations of the commission only and that neither the
5 faith and credit nor the taxing power of the state or of any
6 political subdivision thereof, or of the contracting
7 municipalities, contracting public water supply districts or
8 contracting sewer districts is pledged to the payment of or the
9 interest on such bonds. The bonds shall not be deemed to be an
10 indebtedness within the meaning of any constitutional or
11 statutory limitation upon the incurring of indebtedness. Neither
12 the members of the board of directors of a commission nor any
13 person executing the bonds shall be liable personally on the
14 bonds by reason of the lawful issuance thereof.

15 3. A commission, subject to the provisions of section
16 393.760, may from time to time issue its bonds in such principal
17 amounts as it deems necessary to provide sufficient funds to
18 purchase, construct, extend or improve a project, including the
19 establishment or increase of reserves, interest accrued during
20 construction of such project and for a period not exceeding one
21 year after the completion of construction of such project, and
22 the payment of all other costs or expenses of the commission
23 incident to and necessary or convenient to carry out its
24 corporate purposes and powers.

25 4. Bonds of a commission shall be authorized by resolution

1 of the board of directors and may be issued under such resolution
2 or under a trust indenture or other security instrument, as
3 authorized by the resolution, in one or more series and shall
4 bear such date or dates, mature at such time or times, bear
5 interest at such rate or rates, be in such denomination or
6 denominations, be in such form, either coupon, registered or
7 both, carry such conversion or registration privileges, have such
8 rank or priority, be executed in such manner, be payable in such
9 medium of payment, at such place or places within or without the
10 state, and be subject to such terms of redemption, with or
11 without premium, as such resolution, trust indenture or other
12 security instrument may provide, and without limitation by the
13 provisions of any other law limiting amounts, maturities or
14 interest rates.

15 5. The bonds shall be sold at public sale [and in the event
16 of a rejection of all bids by the commission, the bonds may be
17 sold] or at private sale as the commission may provide and at
18 such price or prices as the commission shall determine [or for a
19 joint municipal utility commission within a fifteen-county area
20 being served with water from a lake constructed by the U.S. Army
21 Corps of Engineers and located north of the Missouri River, if
22 the commission determines it is in the best interest of the
23 commission, at private sale. The reason or reasons why private
24 sale is in the best interest of the people served shall be set
25 forth in the order or resolution authorizing the private sale].

1 The decision of the commission shall be conclusive.

2 6. The bonds may be signed by manual or facsimile
3 signatures as determined by resolution of the board. In case any
4 of the officers whose signatures appear on any bonds or coupons
5 shall cease to be such officers before the delivery of such
6 obligations, such signatures shall, nevertheless, be valid and
7 sufficient for all purposes, the same as if the officers had
8 remained in office until such delivery.

9 7. Pending preparation of definitive bonds, a commission
10 may issue temporary bonds which shall be exchanged for the
11 definitive bonds when such bonds shall have been executed and are
12 available for delivery.

13 8. All bonds issued under the provisions of sections
14 393.700 to 393.770 shall be negotiable instruments under the
15 provisions of the uniform commercial code of the state.

16 393.740. 1. All bonds issued pursuant to sections 393.700
17 to 393.770 and all income or interest thereon shall be exempt
18 from all state taxes, except estate and transfer taxes.

19 2. All property, real and tangible personal, except for
20 properties acquired exclusively for water supply districts,
21 acquired by the bonds issued pursuant to sections 393.700 and
22 393.770 or otherwise acquired by a commission shall be subject to
23 taxation for state, county, and municipal and other local
24 purposes only to the same extent as [bridge and public utility
25 companies under the provisions of sections 153.030, RSMo, and

1 138.420, RSMo, except for those properties acquired exclusively
2 for water supply districts] if such property was owned directly
3 by each participating municipality in proportion to the
4 percentage each municipality's interest or participation in the
5 facility or property.

6 400.9-102. (a) In this article:

7 (1) "Accession" means goods that are physically united with
8 other goods in such a manner that the identity of the original
9 goods is not lost;

10 (2) "Account", except as used in "account for", means a
11 right to payment of a monetary obligation, whether or not earned
12 by performance, (i) for property that has been or is to be sold,
13 leased, licensed, assigned, or otherwise disposed of, (ii) for
14 services rendered or to be rendered, (iii) for a policy of
15 insurance issued or to be issued, (iv) for a secondary obligation
16 incurred or to be incurred, (v) for energy provided or to be
17 provided, (vi) for the use or hire of a vessel under a charter or
18 other contract, (vii) arising out of the use of a credit or
19 charge card or information contained on or for use with the card,
20 or (viii) as winnings in a lottery or other game of chance
21 operated or sponsored by a state, governmental unit of a state,
22 or person licensed or authorized to operate the game by a state
23 or governmental unit of a state. The term includes
24 health-care-insurance receivables. The term does not include (i)
25 rights to payment evidenced by chattel paper or an instrument,

1 (ii) commercial tort claims, (iii) deposit accounts, (iv)
2 investment property, (v) letter-of-credit rights or letters of
3 credit, or (vi) rights to payment for money or funds advanced or
4 sold, other than rights arising out of the use of a credit or
5 charge card or information contained on or for use with the card;

6 (3) "Account debtor" means a person obligated on an
7 account, chattel paper, or general intangible. The term does not
8 include persons obligated to pay a negotiable instrument, even if
9 the instrument constitutes part of chattel paper;

10 (4) "Accounting", except as used in "accounting for", means
11 a record:

12 (A) Authenticated by a secured party;

13 (B) Indicating the aggregate unpaid secured obligations as
14 of a date not more than thirty-five days earlier or thirty-five
15 days later than the date of the record; and

16 (C) Identifying the components of the obligations in
17 reasonable detail;

18 (5) "Agricultural lien" means an interest, other than a
19 security interest, in farm products:

20 (A) Which secures payment or performance of an obligation
21 for:

22 (I) Goods or services furnished in connection with a
23 debtor's farming operation; or

24 (ii) Rent on real property leased by a debtor in connection
25 with its farming operation;

1 (B) Which is created by statute in favor of a person that:

2 (I) In the ordinary course of its business furnished goods
3 or services to a debtor in connection with a debtor's farming
4 operation; or

5 (ii) Leased real property to a debtor in connection with
6 the debtor's farming operation; and

7 (C) Whose effectiveness does not depend on the person's
8 possession of the personal property;

9 (6) "As-extracted collateral" means:

10 (A) Oil, gas, or other minerals that are subject to a
11 security interest that:

12 (I) Is created by a debtor having an interest in the
13 minerals before extraction; and

14 (ii) Attaches to the minerals as extracted; or

15 (B) Accounts arising out of the sale at the wellhead or
16 Manihot of oil, gas, or other minerals in which the debtor had an
17 interest before extraction;

18 (7) "Authenticate" means:

19 (A) To sign; or

20 (B) To execute or otherwise adopt a symbol, or encrypt or
21 similarly process a record in whole or in part, with the present
22 intent of the authenticating person to identify the person and
23 adopt or accept a record;

24 (8) "Bank" means an organization that is engaged in the
25 business of banking. The term includes savings banks, savings

1 and loan associations, credit unions, and trust companies;

2 (9) "Cash proceeds" means proceeds that are money, checks,
3 deposit accounts, or the like;

4 (10) "Certificate of title" means a certificate of title
5 with respect to which a statute provides for the security
6 interest in question to be indicated on the certificate as a
7 condition or result of the security interest's obtaining priority
8 over the rights of a lien creditor with respect to the
9 collateral;

10 (11) "Chattel paper" means a record or records that
11 evidence both a monetary obligation and a security interest in
12 specific goods, a security interest in specific goods and
13 software used in the goods, a security interest in specific goods
14 and license of software used in the goods, a lease of specific
15 goods, or a lease of specific goods and license of software used
16 in the goods. In this paragraph, "monetary obligation" means a
17 monetary obligation secured by the goods or owed under a lease of
18 the goods and includes a monetary obligation with respect to
19 software used in the goods. The term does not include (I)
20 charters or other contracts involving the use or hire of a vessel
21 or (ii) records that evidence a right to payment arising out of
22 the use of a credit or charge card or information contained on or
23 for use with the card. If a transaction is evidenced [both by a
24 security agreement or lease and] by records that include an
25 instrument or series of instruments, the group of records taken

1 together constitutes chattel paper;

2 (12) "Collateral" means the property subject to a security
3 interest or agricultural lien. The term includes:

4 (A) Proceeds to which a security interest attaches;

5 (B) Accounts, chattel paper, payment intangibles, and
6 promissory notes that have been sold; and

7 (C) Goods that are the subject of a consignment;

8 (13) "Commercial tort claim" means a claim arising in tort
9 with respect to which:

10 (A) The claimant is an organization; or

11 (B) The claimant is an individual and the claim:

12 (I) Arose in the course of the claimant's business or
13 profession; and

14 (ii) Does not include damages arising out of personal
15 injury to or the death of an individual;

16 (14) "Commodity account" means an account maintained by a
17 commodity intermediary in which a commodity contract is carried
18 for a commodity customer;

19 (15) "Commodity contract" means a commodity futures
20 contract, an option on a commodity futures contract, a commodity
21 option, or another contract if the contract or option is:

22 (A) Traded on or subject to the rules of a board of trade
23 that has been designated as a contract market for such a contract
24 pursuant to federal commodities laws; or

25 (B) Traded on a foreign commodity board of trade, exchange,

1 or market, and is carried on the books of a commodity
2 intermediary for a commodity customer;

3 (16) "Commodity customer" means a person for which a
4 commodity intermediary carries a commodity contract on its books;

5 (17) "Commodity intermediary" means a person that:

6 (A) Is registered as a futures commission merchant under
7 federal commodities law; or

8 (B) In the ordinary course of its business provides
9 clearance or settlement services for a board of trade that has
10 been designated as a contract market pursuant to federal
11 commodities law;

12 (18) "Communicate" means:

13 (A) To send a written or other tangible record;

14 (B) To transmit a record by any means agreed upon by the
15 persons sending and receiving the record; or

16 (C) In the case of transmission of a record to or by a
17 filing office, to transmit a record by any means prescribed by
18 filing-office rule;

19 (19) "Consignee" means a merchant to which goods are
20 delivered in a consignment;

21 (20) "Consignment" means a transaction, regardless of its
22 form, in which a person delivers goods to a merchant for the
23 purpose of sale and:

24 (A) The merchant:

25 (I) Deals in goods of that kind under a name other than the

1 name of the person making delivery;

2 (ii) Is not an auctioneer; and

3 (iii) Is not generally known by its creditors to be
4 substantially engaged in selling the goods of others;

5 (B) With respect to each delivery, the aggregate value of
6 the goods is one thousand dollars or more at the time of
7 delivery;

8 (C) The goods are not consumer goods immediately before
9 delivery; and

10 (D) The transaction does not create a security interest
11 that secures an obligation;

12 (21) "Consignor" means a person that delivers goods to a
13 consignee in a consignment;

14 (22) "Consumer debtor" means a debtor in a consumer
15 transaction;

16 (23) "Consumer goods" means goods that are used or bought
17 for use primarily for personal, family, or household purposes;

18 (24) "Consumer-goods transaction" means a consumer
19 transaction in which:

20 (A) An individual incurs an obligation primarily for
21 personal, family, or household purposes; and

22 (B) A security interest in consumer goods secures the
23 obligation;

24 (25) "Consumer obligor" means an obligor who is an
25 individual and who incurred the obligation as part of a

1 transaction entered into primarily for personal, family, or
2 household purposes;

3 (26) "Consumer transaction" means a transaction in which
4 (I) an individual incurs an obligation primarily for personal,
5 family, or household purposes, (ii) a security interest secures
6 the obligation, and (iii) the collateral is held or acquired
7 primarily for personal, family, or household purposes. The term
8 includes consumer-goods transactions;

9 (27) "Continuation statement" means an amendment of a
10 financing statement which:

11 (A) Identifies, by its file number, the initial financing
12 statement to which it relates; and

13 (B) Indicates that it is a continuation statement for, or
14 that it is filed to continue the effectiveness of, the identified
15 financing statement;

16 (28) "Debtor" means:

17 (A) A person having an interest, other than a security
18 interest or other lien, in the collateral, whether or not the
19 person is an obligor;

20 (B) A seller of accounts, chattel paper, payment
21 intangibles, or promissory notes; or

22 (C) A consignee;

23 (29) "Deposit account" means a demand, time, savings,
24 passbook, or similar account maintained with a bank. The term
25 does not include investment property or accounts evidenced by an

1 instrument;

2 (30) "Document" means a document of title or a receipt of
3 the type described in section 400.7-201(2);

4 (31) "Electronic chattel paper" means chattel paper
5 evidenced by a record or records consisting of information stored
6 in an electronic medium;

7 (32) "Encumbrance" means a right, other than an ownership
8 interest, in real property. The term includes mortgages and
9 other liens on real property;

10 (33) "Equipment" means goods other than inventory, farm
11 products, or consumer goods;

12 (34) "Farm products" means goods, other than standing
13 timber, with respect to which the debtor is engaged in a farming
14 operation and which are:

15 (A) Crops grown, growing, or to be grown, including:

16 (I) Crops produced on trees, vines, and bushes; and

17 (ii) Aquatic goods produced in aquacultural operations;

18 (B) Livestock, born or unborn, including aquatic goods
19 produced in aquacultural operations;

20 (C) Supplies used or produced in a farming operation; or

21 (D) Products of crops or livestock in their unmanufactured
22 states;

23 (35) "Farming operation" means raising, cultivating,
24 propagating, fattening, grazing, or any other farming, livestock,
25 or aquacultural operation;

1 (36) "File number" means the number assigned to an initial
2 financing statement pursuant to section 400.9-519(a);

3 (37) "Filing office" means an office designated in section
4 400.9-501 as the place to file a financing statement;

5 (38) "Filing-office rule" means a rule adopted pursuant to
6 section 400.9-526;

7 (39) "Financing statement" means a record or records
8 composed of an initial financing statement and any filed record
9 relating to the initial financing statement;

10 (40) "Fixture filing" means the filing of a financing
11 statement covering goods that are or are to become fixtures and
12 satisfying section 400.9-502(a) and (b). The term includes the
13 filing of a financing statement covering goods of a transmitting
14 utility which are or are to become fixtures;

15 (41) "Fixtures" means goods that have become so related to
16 particular real property that an interest in them arises under
17 real property law;

18 (42) "General intangible" means any personal property,
19 including things in action, other than accounts, chattel paper,
20 commercial tort claims, deposit accounts, documents, goods,
21 instruments, investment property, letter-of-credit rights,
22 letters of credit, money, and oil, gas, or other minerals before
23 extraction. The term includes payment intangibles and software;

24 (43) "Good faith" means honesty in fact;

25 (44) "Goods" means all things that are movable when a

1 security interest attaches. The term includes (I) fixtures, (ii)
2 standing timber that is to be cut and removed under a conveyance
3 or contract for sale, (iii) the unborn young of animals, (iv)
4 crops grown, growing, or to be grown, even if the crops are
5 produced on trees, vines, or bushes, and (v) manufactured homes.
6 The term also includes a computer program embedded in goods and
7 any supporting information provided in connection with a
8 transaction relating to the program if (I) the program is
9 associated with the goods in such a manner that it customarily is
10 considered part of the goods, or (ii) by becoming the owner of
11 the goods, a person acquires a right to use the program in
12 connection with the goods. The term does not include a computer
13 program embedded in goods that consist solely of the medium in
14 which the program is embedded. The term also does not include
15 accounts, chattel paper, commercial tort claims, deposit
16 accounts, documents, general intangibles, instruments, investment
17 property, letter-of-credit rights, letters of credit, money, or
18 oil, gas, or other minerals before extraction;

19 (45) "Governmental unit" means a subdivision, agency,
20 department, county, parish, municipality, or other unit of the
21 government of the United States, a state, or a foreign country.
22 The term includes an organization having a separate corporate
23 existence if the organization is eligible to issue debt on which
24 interest is exempt from income taxation under the laws of the
25 United States;

1 (46) "Health-care-insurance receivable" means an interest
2 in or claim under a policy of insurance which is a right to
3 payment of a monetary obligation for health-care goods or
4 services provided;

5 (47) "Instrument" means a negotiable instrument or any
6 other writing that evidences a right to the payment of a monetary
7 obligation, is not itself a security agreement or lease, and is
8 of a type that in ordinary course of business is transferred by
9 delivery with any necessary indorsement or assignment. The term
10 does not include (i) investment property, (ii) letters of credit,
11 or (iii) writings that evidence a right to payment arising out of
12 the use of a credit or charge card or information contained on or
13 for use with the card;

14 (48) "Inventory" means goods, other than farm products,
15 which:

16 (A) Are leased by a person as lessor;

17 (B) Are held by a person for sale or lease or to be
18 furnished under a contract of service;

19 (C) Are furnished by a person under a contract of service;
20 or

21 (D) Consist of raw materials, work in process, or materials
22 used or consumed in a business;

23 (49) "Investment property" means a security, whether
24 certificated or uncertificated, security entitlement, securities
25 account, commodity contract, or commodity account;

1 (50) "Jurisdiction of organization", with respect to a
2 registered organization, means the jurisdiction under whose law
3 the organization is organized;

4 (51) "Letter-of-credit right" means a right to payment or
5 performance under a letter of credit, whether or not the
6 beneficiary has demanded or is at the time entitled to demand
7 payment or performance. The term does not include the right of a
8 beneficiary to demand payment or performance under a letter of
9 credit;

10 (52) "Lien creditor" means:

11 (A) A creditor that has acquired a lien on the property
12 involved by attachment, levy, or the like;

13 (B) An assignee for benefit of creditors from the time of
14 assignment;

15 (C) A trustee in bankruptcy from the date of the filing of
16 the petition; or

17 (D) A receiver in equity from the time of appointment;

18 (53) "Manufactured home" means a structure, transportable
19 in one or more sections, which, in the traveling mode, is eight
20 body feet or more in width or forty body feet or more in length,
21 or, when erected on site, is three hundred twenty or more square
22 feet, and which is built on a permanent chassis and designed to
23 be used as a dwelling with or without a permanent foundation when
24 connected to the required utilities, and includes the plumbing,
25 heating, air-conditioning, and electrical systems contained

1 therein. The term includes any structure that meets all of the
2 requirements of this paragraph except the size requirements and
3 with respect to which the manufacturer voluntarily files a
4 certification required by the United States Secretary of Housing
5 and Urban Development and complies with the standards established
6 under Title 42 of the United States Code;

7 (54) "Manufactured-home transaction" means a secured
8 transaction:

9 (A) That creates a purchase-money security interest in a
10 manufactured home, other than a manufactured home held as
11 inventory; or

12 (B) In which a manufactured home, other than a manufactured
13 home held as inventory, is the primary collateral;

14 (55) "Mortgage" means a consensual interest in real
15 property, including fixtures, which secures payment or
16 performance of an obligation;

17 (56) "New debtor" means a person that becomes bound as
18 debtor under section 400.9-203(d) by a security agreement
19 previously entered into by another person;

20 (57) "New value" means (I) money, (ii) money's worth in
21 property, services, or new credit, or (iii) release by a
22 transferee of an interest in property previously transferred to
23 the transferee. The term does not include an obligation
24 substituted for another obligation;

25 (58) "Noncash proceeds" means proceeds other than cash

proceeds;

(59) ["Notice" means a properly filed financing statement;

(60)] "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property other than the collateral to secure payment or other performance of the obligation, or (iii) is otherwise accountable in whole or in part for payment or other performance of the obligation. The term does not include issuers or nominated persons under a letter of credit;

[(61)] (60) "Original debtor", except as used in section 400.9-310(c), means a person that, as debtor, entered into a security agreement to which a new debtor has become bound under section 400.9-203(d);

[(62)] (61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation;

[(63)] (62) "Person related to", with respect to an individual, means:

(A) The spouse of the individual;

(B) A brother, brother-in-law, sister, or sister-in-law of the individual;

(C) An ancestor or lineal descendant of the individual or the individual's spouse; or

1 (D) Any other relative, by blood or marriage, of the
2 individual or the individual's spouse who shares the same home
3 with the individual;

4 [(64)] (63) "Person related to", with respect to an
5 organization, means:

6 (A) A person directly or indirectly controlling, controlled
7 by, or under common control with the organization;

8 (B) An officer or director of, or a person performing
9 similar functions with respect to, the organization;

10 (C) An officer or director of, or a person performing
11 similar functions with respect to, a person described in
12 subparagraph (A);

13 (D) The spouse of an individual described in subparagraph
14 (A), (B), or (C); or

15 (E) An individual who is related by blood or marriage to an
16 individual described in subparagraph (A), (B), (C), or (D) and
17 shares the same home with the individual;

18 [(65)] (64) "Proceeds", except as used in section 400.9-
19 609(b), means the following property:

20 (A) Whatever is acquired upon the sale, lease, license,
21 exchange, or other disposition of collateral;

22 (B) Whatever is collected on, or distributed on account of,
23 collateral;

24 (C) Rights arising out of collateral;

25 (D) To the extent of the value of collateral, claims

1 arising out of the loss, nonconformity, or interference with the
2 use of, defects or infringement of rights in, or damage to, the
3 collateral; or

4 (E) To the extent of the value of collateral and to the
5 extent payable to the debtor or the secured party, insurance
6 payable by reason of the loss or nonconformity of, defects or
7 infringement of rights in, or damage to, the collateral;

8 [(66)] (65) "Promissory note" means an instrument that
9 evidences a promise to pay a monetary obligation, does not
10 evidence an order to pay, and does not contain an acknowledgment
11 by a bank that the bank has received for deposit a sum of money
12 or funds;

13 [(67)] (66) "Proposal" means a record authenticated by a
14 secured party which includes the terms on which the secured party
15 is willing to accept collateral in full or partial satisfaction
16 of the obligation it secures pursuant to sections 400.9-620,
17 400.9-621 and 400.9-622;

18 [(68)] (67) "Pursuant to commitment", with respect to an
19 advance made or other value given by a secured party, means
20 pursuant to the secured party's obligation, whether or not a
21 subsequent event of default or other event not within the secured
22 party's control has relieved or may relieve the secured party
23 from its obligation;

24 [(69)] (68) "Record", except as used in "for record", "of
25 record", "record or legal title", and "record owner", means

1 information that is inscribed on a tangible medium or which is
2 stored in an electronic or other medium and is retrievable in
3 perceivable form;

4 [(70)] (69) "Registered organization" means an organization
5 organized solely under the law of a single state or the United
6 States and as to which the state or the United States must
7 maintain a public record showing the organization to have been
8 organized;

9 [(71)] (70) "Secondary obligor" means an obligor to the
10 extent that:

11 (A) The obligor's obligation is secondary; or

12 (B) The obligor has a right of recourse with respect to an
13 obligation secured by collateral against the debtor, another
14 obligor, or property of either;

15 [(72)] (71) "Secured party" means:

16 (A) A person in whose favor a security interest is created
17 or provided for under a security agreement, whether or not any
18 obligation to be secured is outstanding;

19 (B) A person that holds an agricultural lien;

20 (C) A consignor;

21 (D) A person to which accounts, chattel paper, payment
22 intangibles, or promissory notes have been sold;

23 (E) A trustee, indenture trustee, agent, collateral agent,
24 or other representative in whose favor a security interest or
25 agricultural lien is created or provided for; or

1 (F) A person that holds a security interest arising under
2 sections 400.2-401, 400.2-505, 400.2-711(3), 400.2A-508(5),
3 400.4-210 or 400.5-118;

4 [(73)] (72) "Security agreement" means an agreement that
5 creates or provides for a security interest;

6 [(74)] (73) "Send", in connection with a record or
7 notification, means:

8 (A) To deposit in the mail, deliver for transmission, or
9 transmit by any other usual means of communication, with postage
10 or cost of transmission provided for, addressed to any address
11 reasonable under the circumstances; or

12 (B) To cause the record or notification to be received
13 within the time that it would have been received if properly sent
14 under subparagraph (A);

15 [(75)] (74) "Software" means a computer program and any
16 supporting information provided in connection with a transaction
17 relating to the program. The term does not include a computer
18 program that is included in the definition of goods;

19 [(76)] (75) "State" means a state of the United States, the
20 District of Columbia, Puerto Rico, the United States Virgin
21 Islands, or any territory or insular possession subject to the
22 jurisdiction of the United States;

23 [(77)] (76) "Supporting obligation" means a
24 letter-of-credit right or secondary obligation that supports the
25 payment or performance of an account, chattel paper, a document,

1 a general intangible, an instrument, or investment property;

2 [(78)] (77) "Tangible chattel paper" means chattel paper
3 evidenced by a record or records consisting of information that
4 is inscribed on a tangible medium;

5 [(79)] (78) "Termination statement" means an amendment of a
6 financing statement which:

7 (A) Identifies, by its file number, the initial financing
8 statement to which it relates; and

9 (B) Indicates either that it is a termination statement or
10 that the identified financing statement is no longer effective;

11 [(80)] (79) "Transmitting utility" means a person primarily
12 engaged in the business of:

13 (A) Operating a railroad, subway, street railway, or
14 trolley bus;

15 (B) Transmitting communications electrically,
16 electromagnetically, or by light;

17 (C) Transmitting goods by pipeline or sewer; or

18 (D) Transmitting or producing and transmitting electricity,
19 steam, gas, or water.

20 (b) The following definitions in other articles apply to
21 this article:

22 "Applicant" Section 400.5-102.

23 "Beneficiary" Section 400.5-102.

24 "Broker" Section 400.8-102.

25 "Certificated security" Section 400.8-102.

1	"Check"	Section 400.3-104.
2	"Clearing corporation"	Section 400.8-102.
3	"Contract for sale"	Section 400.2-106.
4	"Customer"	Section 400.4-104.
5	"Entitlement holder"	Section 400.8-102.
6	"Financial asset"	Section 400.8-102.
7	"Holder in due course"	Section 400.3-302.
8	"Issuer" (with respect to a letter of	
9	credit or letter-of-credit right)	Section 400.5-102.
10	"Issuer" (with respect to a security)	Section 400.8-201.
11	"Lease"	Section 400.2A-103.
12	"Lease agreement"	Section 400.2A-103.
13	"Lease contract"	Section 400.2A-103.
14	"Leasehold interest"	Section 400.2A-103.
15	"Lessee"	Section 400.2A-103.
16	"Lessee in ordinary course of	
17	business"	Section 400.2A-103.
18	"Lessor"	Section 400.2A-103.
19	"Lessor's residual interest"	Section 400.2A-103.
20	"Letter of credit"	Section 400.5-102.
21	"Merchant"	Section 400.2-104.
22	"Negotiable instrument"	Section 400.3-104.
23	"Nominated person"	Section 400.5-102.
24	"Note"	Section 400.3-104.
25	"Proceeds of a letter of credit"	Section 400.5-114.

1	"Prove"	Section 400.3-103.
2	"Sale"	Section 400.2-106.
3	"Securities account"	Section 400.8-501.
4	"Securities intermediary"	Section 400.8-102.
5	"Security"	Section 400.8-102.
6	"Security certificate"	Section 400.8-102.
7	"Security entitlement"	Section 400.8-102.
8	"Uncertificated security"	Section 400.8-102.

9 (c) This section contains general definitions and
10 principles of construction and interpretation applicable
11 throughout sections 400.9-103 to 400.9-708.

12 400.9-109. (a) Except as otherwise provided in subsections
13 (c) and (d), this article applies to:

14 (1) A transaction, regardless of its form, that creates a
15 security interest in personal property or fixtures by contract;
16 (2) An agricultural lien;
17 (3) A sale of accounts, chattel paper, payment intangibles,
18 or promissory notes;
19 (4) A consignment;
20 (5) A security interest arising under section 400.2-401,
21 400.2-505, 400.2-711(3) or 400.2A-508(5), as provided in section
22 400.9-110; and
23 (6) A security interest arising under section 400.4-210 or
24 400.5-118.

25 (b) The application of this article to a security interest

1 in a secured obligation is not affected by the fact that the
2 obligation is itself secured by a transaction or interest to
3 which this article does not apply.

4 (c) This article does not apply to the extent that:

5 (1) A statute, regulation, or treaty of the United States
6 preempts this article;

7 (2) Another statute of this state expressly governs the
8 creation, perfection, priority, or enforcement of a security
9 interest created by this state or a governmental unit of this
10 state;

11 (3) A statute of another state, a foreign country, or a
12 governmental unit of another state or a foreign country, other
13 than a statute generally applicable to security interests,
14 expressly governs creation, perfection, priority, or enforcement
15 of a security interest created by the state, country, or
16 governmental unit; or

17 [(3)] (4) The rights of a transferee beneficiary or
18 nominated person under a letter of credit are independent and
19 superior under section 400.5-114.

20 (d) This article does not apply to:

21 (1) A landlord's lien, other than an agricultural lien;

22 (2) A lien, other than an agricultural lien, given by
23 statute or other rule of law for services or materials, but
24 section 400.9-333 applies with respect to priority of the lien;

25 (3) An assignment of a claim for wages, salary, or other

1 compensation of an employee;

2 (4) A sale of accounts, chattel paper, payment intangibles,
3 or promissory notes as part of a sale of the business out of
4 which they arose;

5 (5) An assignment of accounts, chattel paper, payment
6 intangibles, or promissory notes which is for the purpose of
7 collection only;

8 (6) An assignment of a right to payment under a contract to
9 an assignee that is also obligated to perform under the contract;

10 (7) An assignment of a single account, payment intangible,
11 or promissory note to an assignee in full or partial satisfaction
12 of a preexisting indebtedness;

13 (8) A transfer of an interest in or an assignment of a
14 claim under a policy of insurance, other than an assignment by or
15 to a health-care provider of a health-care-insurance receivable
16 and any subsequent assignment of the right to payment, but
17 sections 400.9-315 and 400.9-322 apply with respect to proceeds
18 and priorities in proceeds;

19 (9) An assignment of a right represented by a judgment,
20 other than a judgment taken on a right to payment that was
21 collateral;

22 (10) A right of recoupment or set-off, but:

23 (A) Section 400.9-340 applies with respect to the
24 effectiveness of rights of recoupment or set-off against deposit
25 accounts; and

1 (B) Section 400.9-404 applies with respect to defenses or
2 claims of an account debtor;

3 (11) The creation or transfer of an interest in or lien on
4 real property, including a lease or rents thereunder, except to
5 the extent that provision is made for:

6 (A) Liens on real property in sections 400.9-203 and
7 400.9-308;

8 (B) Fixtures in section 400.9-334;

9 (C) Fixture filings in sections 400.9-501, 400.9-502,
10 400.9-512, 400.9-516 and 400.9-519; and

11 (D) Security agreements covering personal and real property
12 in section 400.9-604;

13 (12) An assignment of a claim arising in tort, other than a
14 commercial tort claim, but sections 400.9-315 and 400.9-322 apply
15 with respect to proceeds and priorities in proceeds; or

16 (13) An assignment of a deposit account in a consumer
17 transaction, but sections 400.9-315 and 400.9-322 apply with
18 respect to proceeds and priorities in proceeds[; or

19 (14) An assignment of a claim or right to receive
20 compensation for injuries or sickness as described in 26 U.S.C.
21 Section 104(a)(1) or (2), as amended from time to time; or

22 (15) An assignment of a claim or right to receive benefits
23 under a special needs trust as described in 42 U.S.C. Section
24 1396p(d)(4), as amended from time to time; or

25 (16) A transfer by a government or governmental subdivision

1 or agency].

2 400.9-303. (a) This section applies to goods covered by a
3 certificate of title, even if there is no other relationship
4 between the jurisdiction under whose certificate of title the
5 goods are covered and the goods or the debtor.

6 (b) Goods become covered by a certificate of title when a
7 valid application for the certificate of title and the applicable
8 fee are delivered to the appropriate authority. Goods cease to
9 be covered by a certificate of title at the earlier of the time
10 the certificate of title ceases to be effective under the law of
11 the issuing jurisdiction or the time the goods become covered
12 subsequently by a certificate of title issued by another
13 jurisdiction.

14 (c) The local law of the jurisdiction under whose
15 certificate of title the goods are covered governs perfection,
16 the effect of perfection or nonperfection, and the priority of a
17 security interest in goods covered by a certificate of title from
18 the time the goods become covered by the certificate of title
19 until the goods cease to be covered by the certificate of title.

20 (d) When a notice of lien is filed in accordance with
21 chapter 301 [or] 306 or 700, RSMo, then the lien is perfected
22 and this chapter shall not govern perfection or nonperfection or
23 the priority of the lien even though a valid application for a
24 certificate of title and the applicable fee was not delivered to
25 the appropriate authority or the certificate of title was not

1 issued by such authority.

2 400.9-311. (a) Except as otherwise provided in subsection
3 (d), the filing of a financing statement is not necessary or
4 effective to perfect a security interest in property subject to:

5 (1) A statute, regulation, or treaty of the United States
6 whose requirements for a security interest's obtaining priority
7 over the rights of a lien creditor with respect to the property
8 preempt section 400.9-310(a);

9 (2) Sections 301.600 to 301.661, RSMo, and section
10 400.2A-304; or

11 (3) A certificate-of-title statute of another jurisdiction
12 which provides for a security interest to be indicated on the
13 certificate as a condition or result of the security interest's
14 obtaining priority over the rights of a lien creditor with
15 respect to the property.

16 (b) Compliance with the requirements of a statute,
17 regulation, or treaty described in subsection (a) for obtaining
18 priority over the rights of a lien creditor is equivalent to the
19 filing of a financing statement under this article. Except as
20 otherwise provided in subsection (d) and sections 400.9-313 and
21 400.9-316(d) and (e) for goods covered by a certificate of title,
22 a security interest in property subject to a statute, regulation,
23 or treaty described in subsection (a) may be perfected only by
24 compliance with those requirements, and a security interest so
25 perfected remains perfected notwithstanding a change in the use

1 or transfer of possession of the collateral.

2 (c) Except as otherwise provided in subsection (d) and
3 section 400.9-316(d) and (e), duration and renewal of perfection
4 of a security interest perfected by compliance with the
5 requirements prescribed by a statute, regulation, or treaty
6 described in subsection (a) are governed by the statute,
7 regulation, or treaty. In other respects, the security interest
8 is subject to this article.

9 (d) During any period in which collateral subject to a
10 statute specified in subsection (a)(2) is inventory held for sale
11 or lease by a person or leased by that person as lessor and that
12 person is in the business of selling [or leasing] goods of that
13 kind, this section does not apply to a security interest in that
14 collateral created by that person [as debtor].

15 400.9-313. (a) Except as otherwise provided in subsection
16 (b), a secured party may perfect a security interest in
17 negotiable documents, goods, instruments, money, or tangible
18 chattel paper by taking possession of the collateral. A secured
19 party may perfect a security interest in certificated securities
20 by taking delivery of the certificated securities under section
21 [400.8-301] 400.9-301.

22 (b) With respect to goods covered by a certificate of title
23 issued by this state, a secured party may perfect a security
24 interest in the goods by taking possession of the goods only in
25 the circumstances described in section 400.9-316(d).

1 (c) With respect to collateral other than certificated
2 securities and goods covered by a document, a secured party takes
3 possession of collateral in the possession of a person other than
4 the debtor, the secured party, or a lessee of the collateral from
5 the debtor in the ordinary course of the debtor's business, when:

6 (1) The person in possession authenticates a record
7 acknowledging that it holds possession of the collateral for the
8 secured party's benefit; or

9 (2) The person takes possession of the collateral after
10 having authenticated a record acknowledging that it will hold
11 possession of collateral for the secured party's benefit.

12 (d) If perfection of a security interest depends upon
13 possession of the collateral by a secured party, perfection
14 occurs no earlier than the time the secured party takes
15 possession and continues only while the secured party retains
16 possession.

17 (e) A security interest in a certificated security in
18 registered form is perfected by delivery when delivery of the
19 certificated security occurs under section 400.8-301 and remains
20 perfected by delivery until the debtor obtains possession of the
21 security certificate.

22 (f) A person in possession of collateral is not required to
23 acknowledge that it holds possession for a secured party's
24 benefit.

25 (g) If a person acknowledges that it holds possession for

1 the secured party's benefit:

2 (1) The acknowledgment is effective under subsection (c) or
3 section 400.8-301(a), even if the acknowledgment violates the
4 rights of a debtor; and

5 (2) Unless the person otherwise agrees or law other than
6 this article otherwise provides, the person does not owe any duty
7 to the secured party and is not required to confirm the
8 acknowledgment to another person.

9 (h) A secured party having possession of collateral does
10 not relinquish possession by delivering the collateral to a
11 person other than the debtor or a lessee of the collateral from
12 the debtor in the ordinary course of the debtor's business if the
13 person was instructed before the delivery or is instructed
14 contemporaneously with the delivery:

15 (1) To hold possession of the collateral for the secured
16 party's benefit; or

17 (2) To redeliver the collateral to the secured party.

18 (I) A secured party does not relinquish possession, even if
19 a delivery under subsection (h) violates the rights of a debtor.
20 A person to which collateral is delivered under subsection (h)
21 does not owe any duty to the secured party and is not required to
22 confirm the delivery to another person unless the person
23 otherwise agrees or law other than this article otherwise
24 provides.

25 400.9-317. (a) [An unperfected] A security interest or

1 agricultural lien is subordinate to the rights of:

2 (1) A person entitled to priority under section 400.9-322;
3 and

4 (2) Except as otherwise provided in subsection (e), a
5 person that becomes a lien creditor before the earlier of the
6 time:

7 (A) The security interest or agricultural lien is
8 perfected; or

9 (B) One of the conditions specified in section 400.9-
10 203(b)(3) is met and a financing statement covering the
11 collateral is filed.

12 (b) Except as otherwise provided in subsection (e), a
13 buyer, other than a secured party, of tangible chattel paper,
14 documents, goods, instruments, or a security certificate takes
15 free of a security interest or agricultural lien if the buyer
16 gives value and receives delivery of the collateral without
17 knowledge of the security interest or agricultural lien and
18 before it is perfected.

19 (c) Except as otherwise provided in subsection (e), a
20 lessee of goods takes free of a security interest or agricultural
21 lien if the lessee gives value and receives delivery of the
22 collateral without knowledge of the security interest or
23 agricultural lien and before it is perfected.

24 (d) A licensee of a general intangible or a buyer, other
25 than a secured party, of accounts, electronic chattel paper,

1 general intangibles, or investment property other than a
2 certificated security takes free of a security interest if the
3 licensee or buyer gives value without knowledge of the security
4 interest and before it is perfected.

5 (e) Except as otherwise provided in sections 400.9-320 and
6 400.9-321, if a person files a financing statement with respect
7 to a purchase-money security interest before or within twenty
8 days after the debtor receives delivery of the collateral, the
9 security interest takes priority over the rights of a buyer,
10 lessee, or lien creditor which arise between the time the
11 security interest attaches and the time of filing.

12 400.9-323. (a) Except as otherwise provided in subsection
13 (c), for purposes of determining the priority of a perfected
14 security interest under section 400.9-322(a)(1), perfection of
15 the security interest dates from the time an advance is made to
16 the extent that the security interest secures an advance that:

17 (1) Is made while the security interest is perfected only:

18 (A) Under section 400.9-309 when it attaches; or

19 (B) Temporarily under section 400.9-312(e), (f), or (g);

20 and

21 (2) Is not made pursuant to a commitment entered into
22 before or while the security interest is perfected by a method
23 other than under section 400.9-309 or 400.9-312(e), (f), or (g).

24 (b) Except as otherwise provided in subsection (c), a
25 security interest is subordinate to the rights of a person that

1 becomes a lien creditor [while the security interest is perfected
2 only] to the extent that [it] the security interest secures
3 [advances] an advance made more than forty-five days after the
4 person becomes a lien creditor unless the advance is made:

5 (1) Without knowledge of the lien; or

6 (2) Pursuant to a commitment entered into without knowledge
7 of the lien.

8 (c) Subsections (a) and (b) do not apply to a security
9 interest held by a secured party that is a buyer of accounts,
10 chattel paper, payment intangibles, or promissory notes or a
11 consignor.

12 (d) Except as otherwise provided in subsection (e), a buyer
13 of goods other than a buyer in ordinary course of business takes
14 free of a security interest to the extent that it secures
15 advances made after the earlier of:

16 (1) The time the secured party acquires knowledge of the
17 buyer's purchase; or

18 (2) Forty-five days after the purchase.

19 (e) Subsection (d) does not apply if the advance is made
20 pursuant to a commitment entered into without knowledge of the
21 buyer's purchase and before the expiration of the forty-five-day
22 period.

23 (f) Except as otherwise provided in subsection (g), a
24 lessee of goods, other than a lessee in ordinary course of
25 business, takes the leasehold interest free of a security

1 interest to the extent that it secures advances made after the
2 earlier of:

3 (1) The time the secured party acquires knowledge of the
4 lease; or

5 (2) Forty-five days after the lease contract becomes
6 enforceable.

7 (g) Subsection (f) does not apply if the advance is made
8 pursuant to a commitment entered into without knowledge of the
9 lease and before the expiration of the forty-five-day period.

10 400.9-406. (a) Subject to subsections (b) through (I), an
11 account debtor on an account, chattel paper, or a payment
12 intangible may discharge its obligation by paying the assignor
13 until, but not after, the account debtor receives a notification,
14 authenticated by the assignor or the assignee, that the amount
15 due or to become due has been assigned and that payment is to be
16 made to the assignee. After receipt of the notification, the
17 account debtor may discharge its obligation by paying the
18 assignee and may not discharge the obligation by paying the
19 assignor.

20 (b) Subject to subsection (h), notification is ineffective
21 under subsection (a):

22 (1) If it does not reasonably identify the rights assigned;

23 (2) To the extent that an agreement between an account
24 debtor and a seller of a payment intangible limits the account
25 debtor's duty to pay a person other than the seller and the

1 limitation is effective under law other than this article; or

2 (3) At the option of an account debtor, if the notification
3 notifies the account debtor to make less than the full amount of
4 any installment or other periodic payment to the assignee, even
5 if:

6 (A) Only a portion of the account, chattel paper, or
7 general intangible has been assigned to that assignee;

8 (B) A portion has been assigned to another assignee; or

9 (C) The account debtor knows that the assignment to that
10 assignee is limited.

11 (c) Subject to subsection (h), if requested by the account
12 debtor, an assignee shall seasonably furnish reasonable proof
13 that the assignment has been made. Unless the assignee complies,
14 the account debtor may discharge its obligation by paying the
15 assignor, even if the account debtor has received a notification
16 under subsection (a).

17 (d) Except as otherwise provided in subsection (e) and
18 sections 400.2A-303 and 400.9-407, and subject to subsection (h),
19 a term in an agreement between an account debtor and an assignor
20 or in a promissory note is ineffective to the extent that it:

21 (1) Prohibits, restricts, or requires the consent of the
22 account debtor or person obligated on the promissory note to the
23 assignment or transfer of, or the creation, attachment,
24 perfection, or enforcement of a security interest in, the
25 account, chattel paper, payment intangible, or promissory note;

1 or

2 (2) Provides that the assignment or transfer or the
3 creation, attachment, perfection, or enforcement of the security
4 interest may give rise to a default, breach, right of recoupment,
5 claim, defense, termination, right of termination, or remedy
6 under the account, chattel paper, payment intangible, or
7 promissory note.

8 (e) Subsection (d) does not apply to the sale of a payment
9 intangible or promissory note.

10 (f) Except as otherwise provided in sections 400.2A-303 and
11 400.9-407, and subject to subsections (h) and (I), a rule of law,
12 statute, or regulation, that prohibits, restricts, or requires
13 the consent of a government, governmental body or official, or
14 account debtor to the assignment or transfer of, or creation of a
15 security interest in, an account or chattel paper is ineffective
16 to the extent that the rule of law, statute, or regulation:

17 (1) Prohibits, restricts, or requires the consent of the
18 government, governmental body or official, or account debtor to
19 the assignment or transfer of, or the creation, attachment,
20 perfection, or enforcement of a security interest in, the account
21 or chattel paper; or

22 (2) Provides that the assignment or transfer or the
23 creation, attachment, perfection, or enforcement of the security
24 interest may give rise to a default, breach, right of recoupment,
25 claim, defense, termination, right of termination, or remedy

1 under the account or chattel paper.

2 (g) Subject to subsection (h), an account debtor may not
3 waive or vary its option under subsection (b)(3).

4 (h) This section is subject to law other than this article
5 which establishes a different rule for an account debtor who is
6 an individual and who incurred the obligation primarily for
7 personal, family, or household purposes.

8 (I) This section does not apply to an assignment of a
9 health-care-insurance receivable.

10 (j) This section prevails over any inconsistent provisions
11 of any statutes, rules, and regulations.

12 400.9-407. (a) Except as otherwise provided in subsection
13 (b), a term in a lease agreement is ineffective to the extent
14 that it:

15 (1) Prohibits, restricts, or requires the consent of a
16 party to the lease to the assignment or transfer of, or the
17 creation, attachment, perfection, or enforcement of a security
18 interest in an interest of a party under the lease contract or in
19 the lessor's residual interest in the goods; or

20 (2) Provides that the assignment or transfer or the
21 creation, attachment, perfection, or enforcement of the security
22 interest may give rise to a default, breach, right of recoupment,
23 claim, defense, termination, right of termination, or remedy
24 under the lease.

25 (b) Except as otherwise provided in section 400.2A-303(7),

1 a term described in subsection (a)(2) is effective to the extent
2 that there is:

3 (1) A transfer by the lessee of the lessee's right of
4 possession or use of the goods in violation of the term; or

5 (2) A delegation of a material performance of either party
6 to the lease contract in violation of the term.

7 (c) The creation, attachment, perfection, or enforcement of
8 a security interest in the lessor's interest under the lease
9 contract or the lessor's residual interest in the goods is not a
10 transfer that materially impairs the lessee's prospect of
11 obtaining return performance or materially changes the duty of or
12 materially increases the burden or risk imposed on the lessee
13 within the purview of section 400.2A-303(4) unless, and then only
14 to the extent that, enforcement actually results in a delegation
15 of material performance of the lessor. [Even in that event, the
16 creation, attachment, perfection, and enforcement of the security
17 interest remain effective.]

18 400.9-408. (a) Except as otherwise provided in subsection
19 (b), a term in a promissory note or in an agreement between an
20 account debtor and a debtor which relates to a
21 health-care-insurance receivable or a general intangible,
22 including a contract, permit, license, or franchise, and which
23 term prohibits, restricts, or requires the consent of the person
24 obligated on the promissory note or the account debtor to, the
25 assignment or transfer of, or creation, attachment, or perfection

1 of a security interest in, the promissory note,
2 health-care-insurance receivable, or general intangible, is
3 ineffective to the extent that the term:

4 (1) Would impair the creation, attachment, or perfection of
5 a security interest; or

6 (2) Provides that the assignment or transfer or the
7 creation, attachment, or perfection of the security interest may
8 give rise to a default, breach, right of recoupment, claim,
9 defense, termination, right of termination, or remedy under the
10 promissory note, health-care-insurance receivable, or general
11 intangible.

12 (b) Subsection (a) applies to a security interest in a
13 payment intangible or promissory note only if the security
14 interest arises out of a sale of the payment intangible or
15 promissory note.

16 (c) A rule of law, statute, or regulation that prohibits,
17 restricts, or requires the consent of a government, governmental
18 body or official, person obligated on a promissory note, or
19 account debtor to the assignment or transfer of, or creation of a
20 security interest in, a promissory note, health-care-insurance
21 receivable, or general intangible, including a contract, permit,
22 license, or franchise between an account debtor and a debtor, is
23 ineffective to the extent that the rule of law, statute, or
24 regulation:

25 (1) Would impair the creation, attachment, or perfection of

1 a security interest; or

2 (2) Provides that the assignment or transfer or the
3 creation, attachment, or perfection of the security interest may
4 give rise to a default, breach, right of recoupment, claim,
5 defense, termination, right of termination, or remedy under the
6 promissory note, health-care-insurance receivable, or general
7 intangible.

8 (d) To the extent that a term in a promissory note or in an
9 agreement between an account debtor and a debtor which relates to
10 a health-care-insurance receivable or general intangible or a
11 rule of law, statute, or regulation described in subsection (c)
12 would be effective under law other than this article but is
13 ineffective under subsection (a) or (c), the creation,
14 attachment, or perfection of a security interest in the
15 promissory note, health-care-insurance receivable, or general
16 intangible:

17 (1) Is not enforceable against the person obligated on the
18 promissory note or the account debtor;

19 (2) Does not impose a duty or obligation on the person
20 obligated on the promissory note or the account debtor;

21 (3) Does not require the person obligated on the promissory
22 note or the account debtor to recognize the security interest,
23 pay or render performance to the secured party, or accept payment
24 or performance from the secured party;

25 (4) Does not entitle the secured party to use or assign the

1 debtor's rights under the promissory note, health-care-insurance
2 receivable, or general intangible, including any related
3 information or materials furnished to the debtor in the
4 transaction giving rise to the promissory note,
5 health-care-insurance receivable, or general intangible;

6 (5) Does not entitle the secured party to use, assign,
7 possess, or have access to any trade secrets or confidential
8 information of the person obligated on the promissory note or the
9 account debtor; and

10 (6) Does not entitle the secured party to enforce the
11 security interest in the promissory note, health-care-insurance
12 receivable, or general intangible.

13 (e) This section prevails over any inconsistent provisions
14 of any statutes, rules, and regulations.

15 400.9-409. (a) A term in a letter of credit or a rule of
16 law, statute, regulation, custom, or practice applicable to the
17 letter of credit which prohibits, restricts, or requires the
18 consent of an applicant, issuer, or nominated person to a
19 beneficiary's assignment of or creation of a security interest in
20 a letter-of-credit right is ineffective to the extent that the
21 term or rule of law, statute, regulation, custom, or practice:

22 (1) Would impair the creation, attachment, or perfection of
23 a security interest in the letter-of-credit right; or

24 (2) Provides that the assignment or the creation,
25 attachment, or perfection of the security interest may give rise

1 to a default, breach, right of recoupment, claim, defense,
2 termination, right of termination, or remedy under the
3 letter-of-credit right.

4 (b) To the extent that a term in a letter of credit is
5 ineffective under subsection (a) but would be effective under law
6 other than this article or a custom or practice applicable to the
7 letter of credit, to the transfer of a right to draw or otherwise
8 demand performance under the letter of credit, or to the
9 assignment of a right to proceeds of the letter of credit, the
10 creation, attachment, or perfection of a security interest in the
11 letter-of-credit right:

12 (1) Is not enforceable against the applicant, issuer,
13 nominated person, or transferee beneficiary;

14 (2) Imposes no duties or obligations on the applicant,
15 issuer, nominated person, or transferee beneficiary; and

16 (3) Does not require the applicant, issuer, nominated
17 person, or transferee beneficiary to recognize the security
18 interest, pay or render performance to the secured party, or
19 accept payment or other performance from the secured party.

20 400.9-504. A financing statement sufficiently indicates the
21 collateral that it covers [only] if the financing statement
22 provides:

23 (1) A description of the collateral pursuant to section
24 400.9-108; or

25 (2) An indication that the financing statement covers all

1 assets or all personal property.

2 400.9-509. (a) A person may file an initial financing
3 statement, amendment that adds collateral covered by a financing
4 statement, or amendment that adds a debtor to a financing
5 statement only if:

6 (1) The debtor authorizes the filing in an authenticated
7 record or pursuant to subsection (b) or (c); or

8 (2) The person holds an agricultural lien that has become
9 effective at the time of filing and the financing statement
10 covers only collateral in which the person holds an agricultural
11 lien.

12 (b) By authenticating or becoming bound as debtor by a
13 security agreement, a debtor or new debtor authorizes the filing
14 of an initial financing statement, and an amendment, covering:

15 (1) The collateral described in the security agreement; and

16 (2) Property that becomes collateral under section
17 400.9-315(a)(2), whether or not the security agreement expressly
18 covers proceeds.

19 (c) By acquiring collateral in which a security interest or
20 agricultural lien continues under section 400.9-315(a)(1), a
21 debtor authorizes the filing of an initial financing statement,
22 and an amendment, covering the collateral and property that
23 becomes collateral under section 400.9-315(a)(2).

24 (d) A person may file an amendment other than an amendment
25 that adds collateral covered by a financing statement or an

1 amendment that adds a debtor to a financing statement only if:

2 (1) The secured party of record authorizes the filing; or

3 (2) The amendment is a termination statement for a
4 financing statement as to which the secured party of record has
5 failed to file or send a termination statement as required by
6 section 400.9-513(a) or (c), the debtor authorizes the filing,
7 and the termination statement indicates that the debtor
8 authorized it to be filed.

9 [(d)] (e) If there is more than one secured party of
10 record for a financing statement, each secured party of record
11 may authorize the filing of an amendment under subsection [(c)]
12 (d).

13 400.9-513. (a) A secured party shall cause the secured
14 party of record for a financing statement to file a termination
15 statement for the financing statement if the financing statement
16 covers consumer goods and:

17 (1) There is no obligation secured by the collateral
18 covered by the financing statement and no commitment to make an
19 advance, incur an obligation, or otherwise give value; or

20 (2) The debtor did not authorize the filing of the initial
21 financing statement.

22 (b) To comply with subsection (a), a secured party shall
23 cause the secured party of record to file the termination
24 statement:

25 (1) Within one month after there is no obligation secured

1 by the collateral covered by the financing statement and no
2 commitment to make an advance, incur an obligation, or otherwise
3 give value; or

4 (2) If earlier, within twenty days after the secured party
5 receives an authenticated demand from a debtor.

6 (c) In cases not governed by subsection (a), within twenty
7 days after a secured party receives an authenticated demand from
8 a debtor, the secured party shall cause the secured party of
9 record for a financing statement to send to the debtor a
10 termination statement for the financing statement or file the
11 termination statement in the filing office if:

12 (1) Except in the case of a financing statement covering
13 accounts or chattel paper that has been sold or goods that are
14 the subject of a consignment, there is no obligation secured by
15 the collateral covered by the financing statement and no
16 commitment to make an advance, incur an obligation, or otherwise
17 give value;

18 (2) The financing statement covers accounts or chattel
19 paper that has been sold but as to which the account debtor or
20 other person obligated has discharged its obligation;

21 (3) The financing statement covers goods that were the
22 subject of a consignment to the debtor but are not in the
23 debtor's possession; or

24 (4) The debtor did not authorize the filing of the initial
25 financing statement.

1 (d) Except as otherwise provided in section 400.9-510, upon
2 the filing of a termination statement with the filing office, the
3 financing statement to which the termination statement relates
4 ceases to be effective. Except as otherwise provided in section
5 400.9-510, for purposes of sections 400.9-519(g), 400.9-522(a),
6 and 400.9-523(c), [upon] the filing with the filing office of a
7 termination statement [with the filing office, a financing
8 statement indicating that the debtor is a transmitting utility to
9 which the termination statement relates ceases to be effective]
10 relating to a financing statement that indicates that the debtor
11 is a transmitting utility also causes the effectiveness of the
12 financing statement to lapse.

13 400.9-525. (a) Except as otherwise provided in subsection
14 (e), the fee for filing and indexing a record under this part,
15 other than an initial financing statement of the kind described
16 in section 400.9-502(c), is [the amount specified in subsection
17 (c), if applicable, plus]:

18 (1) If the filing office is the secretary of state's
19 office, then twelve dollars for the first page and one dollar for
20 each subsequent page if the record is communicated in writing or
21 by another medium authorized by filing-office rule, of which fee
22 seven dollars is received and collected by the secretary of state
23 on behalf of the counties of this state for deposit with the
24 county employees' retirement fund established pursuant to section
25 50.1010, RSMo, provided, however, that in any charter county or

1 city not within a county whose employees are not members of the
2 county employees' retirement fund, the fee collected for the
3 county employees' retirement fund established pursuant to section
4 50.1010, RSMo, shall go to the general revenue fund of that
5 charter county or city not within a county; or

6 (2) If the filing office is other than the secretary of
7 state's office, then the fee otherwise allowed by law.

8 (b) Except as otherwise provided in subsection (e), the fee
9 for filing and indexing an initial financing statement of the
10 kind described in section 400.9-502(c) is [the amount specified
11 in subsection (c), if applicable, plus]:

12 (1) If the filing office is the secretary of state's
13 office, then twelve dollars for the first page and one dollar for
14 each subsequent page if the record is communicated in writing or
15 by another medium authorized by filing-office rule, of which fee
16 seven dollars is received and collected by the secretary of state
17 on behalf of the counties of this state for deposit with the
18 county employees' retirement fund established pursuant to section
19 50.1010, RSMo, provided, however, that in any charter county or
20 city not within a county whose employees are not members of the
21 county employees' retirement fund, the fee collected for the
22 county employees' retirement fund established pursuant to section
23 50.1010, RSMo, shall go to the general revenue fund of that
24 charter county or city not within a county; or

25 (2) If the filing office is other than the secretary of

1 state's office, then the fee otherwise allowed by law.

2 (c) The number of names required to be indexed does not
3 affect the amount of the fee in subsections (a) and (b).

4 (d) The fee for responding to a request for information
5 from the filing office, including for communicating whether there
6 is on file any financing statement naming a particular debtor,
7 is:

8 (1) If the filing office is the secretary of state's
9 office, then twenty-two dollars for the first page and one dollar
10 for each subsequent page if the record is communicated in writing
11 or by another medium authorized by filing-office rule, of which
12 fee seven dollars is received and collected by the secretary of
13 state on behalf of the counties of this state for deposit with
14 county employees' retirement fund established pursuant to section
15 50.1010, RSMo, provided, however, that in any charter county or
16 city not within a county whose employees are not members of the
17 county employees' retirement fund, the fee collected for the
18 county employees' retirement fund established pursuant to section
19 50.1010, RSMo, shall go to the general revenue fund of that
20 charter county or city not within a county; or

21 (2) If the filing office is other than the secretary of
22 state's office, then the fee otherwise allowed by law.

23 (e) This section does not require a fee with respect to a
24 record of a mortgage which is effective as a financing statement
25 filed as a fixture filing or as a financing statement covering

1 as-extracted collateral or timber to be cut under section
2 400.9-502(c). However, the recording and satisfaction fees that
3 otherwise would be applicable to the record of the mortgage
4 apply.

5 (f) The [secretary of state] department of revenue shall
6 administer a special trust fund, which is hereby established, to
7 be known as the "Uniform Commercial Code Transition Fee Trust
8 Fund", and which shall be funded by seven dollars of each of the
9 fees received and collected pursuant to subdivisions (a), (b) and
10 [(c)] (d) of this section on behalf of the counties of this state
11 for deposit with the county employees' retirement fund
12 established pursuant to section 50.1010, RSMo, or the general
13 revenue fund of any charter county or city not within a county
14 whose employees are not members of the county employees'
15 retirement fund.

16 (1) The secretary of state shall keep and provide to the
17 department of revenue accurate record of the moneys to be
18 deposited in the uniform commercial code transition fee trust
19 fund allocated to each county and city not within a county on the
20 basis of where such record, financing statement or other document
21 would have been filed prior to July 1, 2001, and the department
22 of revenue shall distribute the moneys pursuant to subdivision
23 (2) of this subsection on that basis.

24 (2) The moneys in the uniform commercial code transition
25 fee trust fund shall be distributed to the county employees'

1 retirement fund established pursuant to section 50.1010, RSMo, or
2 the general revenue fund of any charter county or city not within
3 a county whose employees are not members of the county employees'
4 retirement fund

5 (3) The moneys in the uniform commercial code transition
6 fee trust fund shall [not] be deemed to be [state funds]
7 "nonstate funds" to be administered by the department of revenue,
8 provided, however that interest, if any, earned by the money in
9 the trust fund shall be deposited into the general revenue fund
10 in the state treasury.

11 400.9-602. Except as otherwise provided in section
12 400.9-624, to the extent that they give rights to a debtor or
13 obligor and impose duties on a secured party, [a secured party
14 may not require] the debtor or obligor [to] may not waive or vary
15 the rules stated in the following listed sections:

16 (1) Section 400.9-207(b)(4)(C), which deals with use and
17 operation of the collateral by the secured party;

18 (2) Section 400.9-210, which deals with requests for an
19 accounting and requests concerning a list of collateral and
20 statement of account;

21 (3) Section 400.9-607(c), which deals with collection and
22 enforcement of collateral;

23 (4) Sections 400.9-608(a) and 400.9-615(c) to the extent
24 that they deal with application or payment of noncash proceeds of
25 collection, enforcement, or disposition;

1 (5) Sections 400.9-608(a) and 400.9-615(d) to the extent
2 that they require accounting for or payment of surplus proceeds
3 of collateral;

4 (6) Section 400.9-609 to the extent that it imposes upon a
5 secured party that takes possession of collateral without
6 judicial process the duty to do so without breach of the peace;

7 (7) Sections 400.9-610(b), 400.9-611, 400.9-613 and
8 400.9-614, which deal with disposition of collateral;

9 (8) Section 400.9-615(f), which deals with calculation of a
10 deficiency or surplus when a disposition is made to the secured
11 party, a person related to the secured party, or a secondary
12 obligor;

13 (9) Section 400.9-616, which deals with explanation of the
14 calculation of a surplus or deficiency;

15 [(9)] (10) Sections 400.9-620, 400.9-621 and 400.9-622,
16 which deal with acceptance of collateral in satisfaction of
17 obligation;

18 [(10)] (11) Section 400.9-623, which deals with redemption
19 of collateral;

20 [(11)] (12) Section 400.9-624, which deals with
21 permissible waivers; and

22 [(12)] (13) Sections 400.9-625 and 400.9-626, which deal
23 with the secured party's liability for failure to comply with
24 this article.

25 400.9-608. (a) If a security interest or agricultural lien

1 secures payment or performance of an obligation, the following
2 rules apply:

3 (1) A secured party shall apply or pay over for application
4 the cash proceeds of collection or enforcement under [this]
5 section 400.9-607 in the following order to:

6 (A) The reasonable expenses of collection and enforcement
7 and, to the extent provided for by agreement and not prohibited
8 by law, reasonable attorney's fees and legal expenses incurred by
9 the secured party;

10 (B) The satisfaction of obligations secured by the security
11 interest or agricultural lien under which the collection or
12 enforcement is made; and

13 (C) The satisfaction of obligations secured by any
14 subordinate security interest in or other lien on the collateral
15 subject to the security interest or agricultural lien under which
16 the collection or enforcement is made if the secured party
17 receives an authenticated demand for proceeds before distribution
18 of the proceeds is completed;

19 (2) If requested by a secured party, a holder of a
20 subordinate security interest or other lien shall furnish
21 reasonable proof of the interest or lien within a reasonable
22 time. Unless the holder complies, the secured party need not
23 comply with the holder's demand under paragraph (1)(C);

24 (3) A secured party need not apply or pay over for
25 application noncash proceeds of collection and enforcement under

1 [this] section 400.9-607 unless the failure to do so would be
2 commercially unreasonable. A secured party that applies or pays
3 over for application noncash proceeds shall do so in a
4 commercially reasonable manner;

5 (4) A secured party shall account to and pay a debtor for
6 any surplus, and the obligor is liable for any deficiency.

7 (b) If the underlying transaction is a sale of accounts,
8 chattel paper, payment intangibles, or promissory notes, the
9 debtor is not entitled to any surplus, and the obligor is not
10 liable for any deficiency.

11 400.9-611. (a) In this section, "notification date" means
12 the earlier of the date on which:

13 (1) A secured party sends to the debtor and any secondary
14 obligor an authenticated notification of disposition; or

15 (2) The debtor and any secondary obligor waive the right to
16 notification.

17 (b) Except as otherwise provided in subsection (d), a
18 secured party that disposes of collateral under section 400.9-610
19 shall send to the persons specified in subsection (c) a
20 reasonable authenticated notification of disposition.

21 (c) To comply with subsection (b), the secured party shall
22 send an authenticated notification of disposition to:

23 (1) The debtor;

24 (2) Any secondary obligor; and

25 (3) If the collateral is other than consumer goods:

1 (A) Any other person from which the secured party has
2 received, before the notification date, an authenticated
3 notification of a claim of an interest in the collateral;

4 (B) Any other secured party or lienholder that, ten days
5 before the notification date, held a security interest in or
6 other lien on the collateral perfected by the filing of a
7 financing statement that:

8 (I) Identified the collateral;

9 (ii) Was indexed under the debtor's name as of that date;
10 and

11 (iii) Was filed in the office in which to file a financing
12 statement against the debtor covering the collateral as of that
13 date; and

14 (C) Any other secured party that, ten days before the
15 notification date, held a security interest in the collateral
16 perfected by compliance with a statute, regulation, or treaty
17 described in section 400.9-311(a).

18 (d) Subsection (b) does not apply if the collateral is
19 perishable or threatens to decline speedily in value or is of a
20 type customarily sold on a recognized market.

21 (e) A secured party complies with the requirement for
22 notification prescribed by subsection (c)(3)(B) if:

23 (1) Not later than twenty days or earlier than thirty days
24 before the notification date, the secured party requests, in a
25 commercially reasonable manner, information concerning financing

1 statements indexed under the debtor's name in the office
2 indicated in subsection (c)(3)(B); and

3 (2) Before the notification date, the secured party:

4 (A) Did not receive a response to the request for
5 information; or

6 (B) Received a response to the request for information and
7 sent an authenticated notification of disposition to each secured
8 party or other lienholder named in that response whose financing
9 statement covered the collateral.

10 400.9-613. Except in a consumer-goods transaction, the
11 following rules apply:

12 (1) The contents of a notification of disposition are
13 sufficient if the notification:

14 (A) Describes the debtor and the secured party;

15 (B) Describes the collateral that is the subject of the
16 intended disposition;

17 (C) States the method of intended disposition;

18 (D) States that the debtor is entitled to an accounting of
19 the unpaid indebtedness and states the charge, if any, for an
20 accounting; and

21 (E) States the time and place of a public [sale]
22 disposition or the time after which any other disposition is to
23 be made;

24 (2) Whether the contents of a notification that lacks any
25 of the information specified in paragraph (1) are nevertheless

1 sufficient is a question of fact;

2 (3) The contents of a notification providing substantially
3 the information specified in paragraph (1) are sufficient, even
4 if the notification includes:

5 (A) Information not specified by that paragraph; or

6 (B) Minor errors that are not seriously misleading;

7 (4) A particular phrasing of the notification is not
8 required;

9 (5) The following form of notification and the form
10 appearing in section 400.9-614(3), when completed, each provides
11 sufficient information:

12 NOTIFICATION OF DISPOSITION OF COLLATERAL

13 To: (Name of debtor, obligor, or other person to which the
14 notification is sent)

15 From: (Name, address, and telephone number of secured
16 party)

17 Name of Debtor(s): (Include only if debtor(s) are not an
18 addressee)

19 (For a public disposition:)

20 We will sell (or lease or license, as applicable) the
21 (describe collateral) (to the highest qualified bidder) in public
22 as follows:

23 Day and Date: _____

24 Time: _____

25 Place: _____

1 (For a private disposition:)

2 We will sell (or lease or license, as applicable) the
3 (describe collateral) privately sometime after (day and
4 date).

5 You are entitled to an accounting of the unpaid indebtedness
6 secured by the property that we intend to sell (or lease or
7 license, as applicable) (for a charge of \$). You may request
8 an accounting by calling us at (telephone number)

9 (End of Form)

10 400.9-615. (a) A secured party shall apply or pay over for
11 application the cash proceeds of disposition under section 400.9-
12 610 in the following order to:

13 (1) The reasonable expenses of retaking, holding, preparing
14 for disposition, processing, and disposing, and, to the extent
15 provided for by agreement and not prohibited by law, reasonable
16 attorney's fees and legal expenses incurred by the secured party;

17 (2) The satisfaction of obligations secured by the security
18 interest or agricultural lien under which the disposition is
19 made;

20 (3) The satisfaction of obligations secured by any
21 subordinate security interest in or other subordinate lien on the
22 collateral if:

23 (A) The secured party receives from the holder of the
24 subordinate security interest or other lien an authenticated
25 demand for proceeds before distribution of the proceeds is

1 completed; and

2 (B) In a case in which a consignor has an interest in the
3 collateral, the subordinate security interest or other lien is
4 senior to the interest of the consignor; and

5 (4) A secured party that is a consignor of the collateral
6 if the secured party receives from the consignor an authenticated
7 demand for proceeds before distribution of the proceeds is
8 completed.

9 (b) If requested by a secured party, a holder of a
10 subordinate security interest or other lien shall furnish
11 reasonable proof of the interest or lien within a reasonable
12 time. Unless the holder does so, the secured party need not
13 comply with the holder's demand under subsection (a)(3).

14 (c) A secured party need not apply or pay over for
15 application noncash proceeds of disposition under [this] section
16 400.9-610 unless the failure to do so would be commercially
17 unreasonable. A secured party that applies or pays over for
18 application noncash proceeds shall do so in a commercially
19 reasonable manner.

20 (d) If the security interest under which a disposition is
21 made secures payment or performance of an obligation, after
22 making the payments and applications required by subsection (a)
23 and permitted by subsection (c):

24 (1) Unless subsection (a)(4) requires the secured party to
25 apply or pay over cash proceeds to a consignor, the secured party

1 shall account to and pay a debtor for any surplus; and

2 (2) The obligor is liable for any deficiency.

3 (e) If the underlying transaction is a sale of accounts,
4 chattel paper, payment intangibles, or promissory notes:

5 (1) The debtor is not entitled to any surplus; and

6 (2) The obligor is not liable for any deficiency.

7 (f) The surplus or deficiency following a disposition is
8 calculated based on the amount of proceeds that would have been
9 realized in a disposition complying with this part to a
10 transferee other than the secured party, a person related to the
11 secured party, or a secondary obligor if:

12 (1) The transferee in the disposition is the secured party,
13 a person related to the secured party, or a secondary obligor;
14 and

15 (2) The amount of proceeds of the disposition is
16 significantly below the range of proceeds that a complying
17 disposition to a person other than the secured party, a person
18 related to the secured party, or a secondary obligor would have
19 brought.

20 (g) A secured party that receives cash proceeds of a
21 disposition in good faith and without notice that the receipt
22 violates the rights of the holder of a security interest or other
23 lien that is not subordinate to the security interest under which
24 the disposition is made:

25 (1) Takes the cash proceeds free of the security interest

1 or other lien;

2 (2) Is not obligated to apply the proceeds of the
3 disposition to the satisfaction of obligations secured by the
4 security interest or other lien; and

5 (3) Is not obligated to account to or pay the holder of the
6 security interest or other lien for any surplus.

7 400.9-625. (a) If it is established that a secured party
8 is not proceeding in accordance with this article, a court may
9 order or restrain collection, enforcement, or disposition of
10 collateral on appropriate terms and conditions.

11 (b) Subject to subsections (c), (d), and (f), a person is
12 liable for damages in the amount of any loss caused by a failure
13 to comply with this article. Loss caused by a failure to comply
14 [with a request under section 400.9-210] may include loss
15 resulting from the debtor's inability to obtain, or increased
16 costs of, alternative financing.

17 (c) Except as otherwise provided in section 400.9-628:

18 (1) A person that, at the time of the failure, was a
19 debtor, was an obligor, or held a security interest in or other
20 lien on the collateral may recover damages under subsection (b)
21 for its loss; and

22 (2) If the collateral is consumer goods, a person that was
23 a debtor or a secondary obligor at the time a secured party
24 failed to comply with this part may recover for that failure in
25 any event an amount not less than the credit service charge plus

1 ten percent of the principal amount of the obligation or the
2 time-price differential plus ten percent of the cash price.

3 (d) A debtor whose deficiency is eliminated under section
4 400.9-626 may recover damages for the loss of any surplus.
5 However, a debtor or secondary obligor whose deficiency is
6 eliminated or reduced under section 400.9-626 may not otherwise
7 recover under subsection (b) for noncompliance with the
8 provisions of this part relating to collection, enforcement,
9 disposition, or acceptance.

10 (e) In addition to any damages recoverable under subsection
11 (b), the debtor, consumer obligor, or person named as a debtor in
12 a filed record, as applicable, may recover five hundred dollars
13 in each case from a person that:

14 (1) Fails to comply with section 400.9-208;

15 (2) Fails to comply with section 400.9-209;

16 (3) Files a record that the person is not entitled to file
17 under section 400.9-509(a);

18 (4) Fails to cause the secured party of record to file or
19 send a termination statement as required by section 400.9-513(a)
20 or (c);

21 (5) Fails to comply with section 400.9-616(b)(1) and whose
22 failure is part of a pattern, or consistent with a practice, of
23 noncompliance; or

24 (6) Fails to comply with section 400.9-616(b)(2).

25 (f) A debtor or consumer obligor may recover damages under

1 subsection (b) and, in addition, five hundred dollars in each
2 case from a person that, without reasonable cause, fails to
3 comply with a request under section 400.9-210. A recipient of a
4 request under section 400.9-210 which never claimed an interest
5 in the collateral or obligations that are the subject of a
6 request under that section has a reasonable excuse for failure to
7 comply with the request within the meaning of this subsection.

8 (g) If a secured party fails to comply with a request
9 regarding a list of collateral or a statement of account under
10 section 400.9-210, the secured party may claim a security
11 interest only as shown in the list or statement included in the
12 request as against a person that is reasonably misled by the
13 failure.

14 (h) This section shall apply on and after January 1, 2003.

15 400.9-628. (a) Unless a secured party knows that a person
16 is a debtor or obligor, knows the identity of the person, and
17 knows how to communicate with the person:

18 (1) The secured party is not liable to the person, or to a
19 secured party or lienholder that has filed a financing statement
20 against the person, for failure to comply with this article; and

21 (2) The secured party's failure to comply with this article
22 does not affect the liability of the person for a deficiency.

23 (b) A secured party is not liable because of its status as
24 secured party:

25 (1) To a person that is a debtor or obligor, unless the

1 secured party knows:

2 (A) That the person is a debtor or obligor;

3 (B) The identity of the person; and

4 (C) How to communicate with the person; or

5 (2) To a secured party or lienholder that has filed a
6 financing statement against a person, unless the secured party
7 knows:

8 (A) That the person is a debtor; and

9 (B) The identity of the person.

10 (c) A secured party is not liable to any person, and a
11 person's liability for a deficiency is not affected, because of
12 any act or omission arising out of the secured party's reasonable
13 belief that a transaction is not a consumer-goods transaction or
14 a consumer transaction or that goods are not consumer goods, if
15 the secured party's belief is based on its reasonable reliance
16 on:

17 (1) A debtor's representation concerning the purpose for
18 which collateral was to be used, acquired, or held; or

19 (2) An obligor's representation concerning the purpose for
20 which a secured obligation was incurred.

21 (d) A secured party is not liable to any person under
22 section 400.9-625(c)(2) for its failure to comply with section
23 400.9-616.

24 (e) A secured party is not liable under section
25 400.9-625(c)(2) more than once with respect to any one secured

1 obligation.

2 400.9-710. (a) In this section:

3 (1) "Former article 9 records" means:

4 a. Financing statements and other records that have been
5 filed in the local-filing office before July 1, 2001, and that
6 are, or upon processing and indexing will be, reflected in the
7 index maintained, as of July 1, 2001, by the local-filing office
8 for financing statements and other records filed in the
9 local-filing office before July 1, 2001; and

10 b. The index as of July 1, 2001.

11 The term does not include records presented to a local-filing
12 office for filing after July 1, 2001, whether or not the records
13 relate to financing statements filed in the local-filing office
14 before July 1, 2001.

15 (2) "Local-filing office" means a filing office, other than
16 the office of the secretary of state, that is designated as the
17 proper place to file a financing statement under 400.9-401 of
18 former article 9. The term applies only with respect to a record
19 that covers a type of collateral as to which the filing office is
20 designated in that section as the proper place to file.

21 (b) Except for a record terminating a former article 9
22 record, a local filing office shall not accept a record presented
23 after June 30, 2001, whether or not the record relates to a
24 financing statement filed in the local filing office before July
25 1, 2001. If the record terminating such former article 9 record

1 is in the standard form prescribed by the secretary of state, the
2 uniform fee for filing and indexing the termination statement in
3 the office of a county recorder shall be the same fee as set out
4 in the former article 9 before the effective date of this act.

5 (c) Until June 30, [2006] 2008, each local-filing office
6 must maintain all former article 9 records in accordance with
7 former article 9. A former article 9 record that is not
8 reflected on the index maintained on July 1, 2001, by the
9 local-filing office must be processed and indexed, and reflected
10 on the index as of July 1, 2001, as soon as practicable but in
11 any event no later than thirty days after July 1, 2001.

12 [(c)] (d) Until at least June 30, 2008, each local-filing
13 office must respond to requests for information with respect to
14 former article 9 records relating to a debtor and issue
15 certificates, in accordance with former article 9. The fees
16 charged for responding to requests for information relating to a
17 debtor and issuing certificates with respect to former article 9
18 records must be the fees in effect under former article 9 on July
19 1, 2001.

20 [(d)] (e) After June 30, [2006] 2008, each local-filing
21 office may remove and destroy, in accordance with any then
22 applicable record retention law of this state, all former article
23 9 records, including the related index.

24 [(e)] (f) This section does not apply, with respect to
25 financing statements and other records, to a filing office in

1 which mortgages or records of mortgages on real property are
2 required to be filed or recorded, if:

3 (1) The collateral is timber to be cut or as-extracted
4 collateral; or

5 (2) The record is or relates to a financing statement filed
6 as a fixture and the collateral is goods that are or are to
7 become fixtures.

8 408.140. 1. No further or other charge or amount
9 whatsoever shall be directly or indirectly charged, contracted
10 for or received for interest, service charges or other fees as an
11 incident to any such extension of credit except as provided and
12 regulated by sections 367.100 to 367.200, or permitted pursuant
13 to subsection 6 of section 570.120, RSMo, and except:

14 (1) On loans for thirty days or longer which are other than
15 "open-end credit" as such term is defined in the federal Consumer
16 Credit Protection Act and regulations thereunder, a fee, not to
17 exceed five percent of the principal amount loaned not to exceed
18 fifty dollars may be charged by the lender; however, no such fee
19 shall be permitted on any extension, refinance, restructure or
20 renewal of any such loan, unless any investigation is made on the
21 application to extend, refinance, restructure or renew the loan;

22 (2) The lawful fees actually and necessarily paid out by
23 the lender to any public officer for filing, recording, or
24 releasing in any public office any instrument securing the loan,
25 which fees may be collected when the loan is made or at any time

1 thereafter; however, premiums for insurance in lieu of perfecting
2 a security interest required by the lender may be charged if the
3 premium does not exceed the fees which would otherwise be
4 payable;

5 (3) If the contract so provides, a charge for late payment
6 on each installment or minimum payment in default for a period of
7 not less than fifteen days in an amount not to exceed five
8 percent of each installment due or the minimum payment due or
9 twenty-five dollars, whichever is less; except that, a minimum
10 charge of ten dollars may be made. If the contract so provides,
11 a charge for late payment on each twenty-five dollars or less
12 installment in default for a period of not less than fifteen days
13 shall not exceed five dollars;

14 (4) If the contract so provides, a charge for late payment
15 for a single payment note in default for a period of not less
16 than fifteen days in an amount not to exceed five percent of the
17 payment due; provided that, the late charge for a single payment
18 note shall not exceed fifty dollars;

19 (5) Charges or premiums for insurance written in connection
20 with any loan against loss of or damage to property or against
21 liability arising out of ownership or use of property as provided
22 in section 367.170, RSMo; however, notwithstanding any other
23 provision of law, with the consent of the borrower, such
24 insurance may cover property all or part of which is pledged as
25 security for the loan, and charges or premiums for insurance

1 providing life, health, accident, or involuntary unemployment
2 coverage;

3 (6) Charges assessed by any institution for processing a
4 refused instrument plus a handling fee of not more than fifteen
5 dollars;

6 (7) If the contract or promissory note, signed by the
7 borrower, provides for attorney fees, and if it is necessary to
8 bring suit, such attorney fees may not exceed fifteen percent of
9 the amount due and payable under such contract or promissory
10 note, together with any court costs assessed. The attorney fees
11 shall only be applicable where the contract or promissory note is
12 referred for collection to an attorney, and is not handled by a
13 salaried employee of the holder of the contract;

14 (8) Provided the debtor agrees in writing, the lender may
15 collect a fee in advance for allowing the debtor to defer up to
16 three monthly loan payments, so long as the fee is no more than
17 the lesser of fifty dollars or ten percent of the loan payments
18 deferred, no extensions are made until the first loan payment is
19 collected and no more than one deferral in a twelve-month period
20 is agreed to and collected on any one loan.

21 This section applies to nonprecomputed loans only and does not
22 affect any other sections.

23 2. Other provisions of law to the contrary notwithstanding,
24 an open-end credit contract under which a credit card is issued

1 by a company, financial institution, savings and loan or other
2 credit issuing company whose credit card operations are located
3 in Missouri may charge an annual fee, provided that no finance
4 charge shall be assessed on new purchases other than cash
5 advances if such purchases are paid for within twenty-five days
6 of the date of the periodic statement therefor.

7 3. Notwithstanding any other provision of law to the
8 contrary, in addition to charges allowed pursuant to section
9 408.100, an open-end credit contract provided by a company,
10 financial institution, savings and loan or other credit issuing
11 company which is regulated pursuant to this chapter may charge an
12 annual fee not to exceed fifty dollars.

13 408.653. 1. A depository institution including any state
14 or federally chartered bank, credit union, savings and loan
15 association or any similar institution may charge no more than
16 fifteen dollars or an amount permitted pursuant to subsection 6
17 of section 570.120, RSMo, as an overdraft charge or as a charge
18 for a check, draft or similar sight order returned for
19 insufficient or uncollected funds.

20 2. Any person to whom a check, draft, order or like
21 instrument is tendered may, if such instrument is dishonored or
22 returned unpaid for any reason, charge and collect from the maker
23 or drawer, or the person for whose benefit such instrument was
24 given, the amount of twenty dollars plus an amount equal to the
25 actual charge by the depository institution for the return of

1 each unpaid or dishonored instrument. No such charge will be
2 considered interest, finance charge, time price differential or
3 anything of a similar nature for purposes of any statute in this
4 state.

5 408.654. Notwithstanding any other provisions of law to the
6 contrary, a depository institution, including any state or
7 federally chartered bank, credit union, savings and loan
8 association or similar institution, may charge up to twenty
9 dollars or an amount permitted pursuant to subsection 6 of
10 section 570.120, RSMo, as an overdraft charge when the check,
11 draft or similar sight order is presented for the first time to
12 the depository institution and the depository institution pays
13 such check, draft or similar sight order upon presentation or up
14 to fifteen dollars as a charge for a check, draft or similar
15 sight order returned because the customer has insufficient or
16 uncollected funds in the customer's depository institution
17 account.

18 417.210. 1. Every person, general partnership,
19 corporation, or other business organization who engages in
20 business in this state under a fictitious name or under any name
21 other than the true name of such person, general partnership,
22 corporation, or other business organization shall, within five
23 days after the beginning or engaging in business under such
24 fictitious name, [register by verified statement of all parties
25 concerned,] execute the form required in this section, and shall

1 be subject to the penalties of making a false declaration
2 pursuant to section 575.060, RSMo, that the facts stated therein
3 are true and that all parties concerned are duly authorized to
4 execute such document and are otherwise required to file such
5 document pursuant to this section upon [blanks] fictitious name
6 forms furnished by the secretary of state, such partnership or
7 other fictitious name in the office of the secretary of state,
8 together with the name or names and the residence of each and
9 every person, partnership, corporation, or other business
10 organization interested in or owning any part of the business;
11 provided, that if the interest of any owner shall cease to exist,
12 or any other person, partnership, corporation, or other entity
13 shall become an owner, such fictitious name shall be reregistered
14 within five days after any such change shall take place in the
15 ownership of the business or any part thereof as set forth in the
16 original registration, and such reregistration shall in all
17 respects be made as in the case of an original registration of
18 such fictitious name; provided, that the provisions of this
19 section shall not apply to farmers' mutual insurance companies
20 nor farmers' mutual telephone companies.

21 2. If the interest of any owner of a business conducted
22 under a fictitious name registered as provided in this section is
23 such that such owner may claim not to be jointly and severally
24 liable to third parties with respect to debts and obligations
25 incurred by such business, the registration relating to such

1 business shall reflect the respective exact ownership interests
2 of each owner of such business. In the case of any other
3 business registered as provided in this section, disclosure of
4 the respective exact ownership interests shall be optional.

5 3. For purposes of this section, a partnership or other
6 entity formed for the practice of a licensed profession shall not
7 be deemed to be engaged in the conduct of business,
8 notwithstanding the transaction by such entity of business
9 ancillary to the practice of such licensed profession.

10 430.225. 1. As used in sections 430.225 to 430.250, the
11 following terms shall mean:

12 (1) "Claim", a claim of a patient for:

13 (a) Damages from a tort-feasor; or

14 (b) Benefits from an insurance carrier;

15 (2) "Clinic", a group practice of health practitioners or a
16 sole practice of a health practitioner who has incorporated his
17 or her practice;

18 (3) "Health practitioner", a chiropractor licensed pursuant
19 to chapter 331, RSMo, a podiatrist licensed pursuant to chapter
20 330, RSMo, a dentist licensed pursuant to chapter 332, RSMo, a
21 physician or surgeon licensed pursuant to chapter 334, RSMo, or
22 an optometrist licensed pursuant to chapter 336, RSMo, while
23 acting within the scope of their practice;

24 (4) "Insurance carrier", any person, firm, corporation,
25 association or aggregation of persons conducting an insurance

1 business pursuant to chapter 375, 376, 377, 378, 379, 380, 381,
2 or 383, RSMo;

3 (5) "Other institution", a legal entity existing pursuant
4 to the laws of this state which delivers treatment, care or
5 maintenance to patients who are sick or injured;

6 (6) "Patient", any person to whom a health practitioner,
7 hospital, clinic or other institution delivers treatment, care or
8 maintenance for sickness or injury caused by a tort-feasor from
9 whom such person seeks damages or any insurance carrier which has
10 insured such tort-feasor.

11 2. Clinics, health practitioners and other institutions, as
12 defined in this section shall have the same rights granted to
13 hospitals in sections 430.230 to 430.250.

14 3. If the liens of such health practitioners, hospitals,
15 clinics or other institutions exceed fifty percent of the amount
16 due the patient, every health care practitioner, hospital, clinic
17 or other institution giving notice of its lien, as aforesaid,
18 shall share in up to fifty percent of the net proceeds due the
19 patient, in the proportion that each claim bears to the total
20 amount of all other liens of health care practitioners,
21 hospitals, clinics or other institutions. "Net proceeds", as
22 used in this section, means the amount remaining after the
23 payment of contractual attorney fees, if any, and other expenses
24 of recovery.

25 4. In administering the lien of the health care provider,

1 the insurance carrier may pay the amount due secured by the lien
2 of the health care provider directly, if the claimant authorizes
3 it and does not challenge the amount of the customary charges or
4 that the treatment provided was for injuries cause by the
5 tort-feasor.

6 5. Any health care provider electing to receive benefits
7 hereunder releases the claimant from further liability on the
8 cost of the services and treatment provided to that point in
9 time.

10 [430.225. 1. As used in sections
11 430.225 to 430.250, the following terms shall
12 mean:

13 (1) "Claim", a claim of a patient for:
14 (a) Damages from a tort-feasor; or
15 (b) Benefits from an insurance carrier;
16 (2) "Clinic", a group practice of
17 health practitioners or a sole practice of a
18 health practitioner who has incorporated his
19 or her practice;

20 (3) "Health practitioner", a
21 chiropractor licensed pursuant to chapter
22 331, RSMo, a podiatrist licensed pursuant to
23 chapter 330, RSMo, a dentist licensed
24 pursuant to chapter 332, RSMo, a physician or
25 surgeon licensed pursuant to chapter 334,
26 RSMo, or an optometrist licensed pursuant to
27 chapter 336, RSMo, while acting within the
28 scope of their practice;

29 (4) "Insurance carrier", any person,
30 firm, corporation, association or aggregation
31 of persons conducting an insurance business
32 pursuant to chapter 375, 376, 377, 378, 379,
33 380, 381 or 383, RSMo;

34 (5) "Other institution", a legal entity
35 existing pursuant to the laws of this state
36 which delivers treatment, care or maintenance
37 to patients who are sick or injured;

38 (6) "Patient", any person to whom a
39 health practitioner, hospital, clinic or
40 other institution delivers treatment, care or
41 maintenance for sickness or injury caused by

1 a tort-feasor from whom such person seeks
2 damages or any insurance carrier which has
3 insured such tort-feasor.

4 2. Clinics, health practitioners and
5 other institutions, as defined in this
6 section shall have the same rights granted to
7 hospitals in sections 430.230 to 430.250.

8 3. If the liens of such health
9 practitioners, hospitals, clinics or other
10 institutions exceed fifty percent of the
11 amount due the patient, every health care
12 practitioner, hospital, clinic or other
13 institution giving notice of its lien, as
14 aforesaid, shall share in up to fifty percent
15 of the net proceeds due the patient, in the
16 proportion that each claim bears to the total
17 amount of all other liens of health care
18 practitioners, hospitals, clinics or other
19 institutions. "Net proceeds", as used in
20 this section, means the amount remaining
21 after the payment of contractual attorney
22 fees, if any, and other expenses of recovery.

23 4. In administering the lien of the
24 health care provider, the insurance carrier
25 may pay the amount due secured by the lien of
26 the health care provider directly, if the
27 claimant authorizes it and does not challenge
28 the amount of the customary charges or that
29 the treatment provided was for injuries cause
30 by the tort-feasor.

31 5. Any health care provider electing to
32 receive benefits hereunder releases the
33 claimant from further liability on the cost
34 of the services and treatment provided to
35 that point in time.]

36 477.650. 1. There is hereby established a "Basic Civil
37 Legal Services Fund" to be administered by, or under the
38 direction of, the Missouri supreme court. All moneys collected
39 pursuant to section 488.031, RSMo, shall be credited to the fund.
40 In addition to the court filing surcharges, funds from other
41 public or private sources also may be deposited into the fund and
42 all earnings of the fund shall be credited to the fund. Fund

1 moneys shall not be considered to be state funds or subject to
2 appropriation. The purpose of this section is to increase the
3 funding available for basic civil legal services to eligible low-
4 income persons as such persons are defined by the Federal Legal
5 Services' Corporation Income Eligibility Guidelines.

6 2. Funds in the basic civil legal services fund shall be
7 allocated annually and expended to provide legal representation
8 to eligible low-income persons in the state in civil matters.

9 Moneys, funds, or payments paid to the credit of the basic civil
10 legal services fund shall, at least as often as annually, be
11 distributed to the legal services organizations in Missouri which
12 qualify for federal Legal Services Corporation funding. The
13 funds so distributed shall be used by legal services
14 organizations in Missouri solely to provide legal services to
15 eligible low-income persons as such persons are defined by the
16 federal Legal Services' Corporation Income Eligibility
17 Guidelines. Fund money shall be subject to all restrictions
18 imposed on such legal services organizations by law. Funds shall
19 be allocated to the programs according to the funding formula
20 employed by the Legal Services Corporation for the distribution
21 of funds to Missouri. Moneys in the basic civil legal services
22 fund shall be considered nonstate funds under the provisions of
23 article IV, section 15 of the Missouri Constitution.

24 3. The Missouri supreme court, or a person or organization
25 designated by the court, is the administrator and shall

1 administer the fund in such manner as determined by the Missouri
2 supreme court, including in accordance with any rules and
3 policies adopted by the Missouri supreme court for such purpose.
4 Costs associated with the administration of the fund as provided
5 herein shall be paid from proceeds deposited in the fund.

6 4. Each recipient of funds from the basic civil legal
7 services fund shall maintain appropriate records accounting for
8 the receipt and expenditure of all funds distributed and received
9 pursuant to this section. These records must be maintained for a
10 period of five years from the close of the fiscal year in which
11 such funds are distributed or received or until audited,
12 whichever is sooner. All funds distributed or received under
13 this section are subject to audit by the Missouri supreme court
14 or the state auditor.

15 486.225. 1. Upon a form prepared by the secretary of
16 state, each applicant for appointment and commission as a notary
17 public shall swear, under penalty of perjury, that the answers to
18 all questions on the application are true and complete to the
19 best of the applicant's knowledge and that the applicant is
20 qualified to be appointed and commissioned as a notary public.
21 The Social Security number of the applicant shall be recorded on
22 the application. The completed application form shall be filed
23 with the secretary of state.

24 2. With the person's application, each applicant for
25 appointment and commission as a notary public shall submit to the

1 secretary of state endorsements from two registered voters of
2 this state in substantially the following form:

3 I, (name of endorser),
4 a registered voter of this state and
5 County, believe to the best of my knowledge, the applicant is a
6 person of good moral character and integrity and capable of
7 performing notarial acts.

8

9 (Endorser's signature and residence address)

10 3. With the person's application, each applicant for
11 appointment and commission as a notary public shall submit to the
12 secretary of state, payable to the director of revenue, a
13 commission fee of fifteen dollars.

14 4. Each applicant for appointment and commission as a
15 notary public shall state in the application whether or not the
16 applicant has ever been convicted of or pled guilty or nolo
17 contendere to any felony involving fraud, misrepresentation or
18 theft, and if so, shall attach a list of such convictions or
19 pleas of guilt or nolo contendere.

20 5. Each applicant for a renewal appointment and commission
21 as a notary public may apply for such renewal appointment in a
22 manner prescribed by the secretary of state.

23 6. The secretary of state may prohibit, for a period of not
24 less than thirty days and not more than one year, an applicant
25 from reapplying for an appointment and commission as a notary

1 public following the rejection of such applicant's application by
2 the secretary of state.

3 7. Prior to submitting an application to the secretary of
4 state, each new applicant for appointment and commission as a
5 notary public shall have read the Missouri notary public handbook
6 and completed a computer-based notary training or other notary
7 training in a manner prescribed by the secretary of state. Each
8 new applicant shall attest to reading the Missouri notary public
9 handbook and receiving training pursuant to this subsection at
10 the time of submitting the applicant's application for
11 appointment and commission as a notary public.

12 486.235. 1. During his term of office each notary public
13 shall maintain a surety bond in the sum of ten thousand dollars
14 with, as surety thereon, a company qualified to write surety
15 bonds in this state. The bond shall be conditioned upon the
16 faithful performance of all notarial acts in accordance with this
17 chapter. Each notary public shall notify the secretary of state
18 of changes on or riders to the bond.

19 2. Before receiving his commission, each applicant shall
20 submit to the county clerk of the county within and for which he
21 is to be commissioned, an executed bond commencing at least
22 [thirty] ninety days after the date he submitted his application
23 to the secretary of state with a term of four years which shall
24 consist of the dates specified on the applicant's commission.

25 3. Before receiving his commission, each applicant shall

1 take the following oath in the presence of the county clerk:

2 I, (name of applicant), solemnly swear, under the
3 penalty of perjury, that I have carefully read the notary law of
4 this state, and if appointed and commissioned as a notary public,
5 I will uphold the Constitution of the United States and of this
6 state and will faithfully perform to the best of my ability all
7 notarial acts in conformance with the law.

8(signature of applicant)

9 Subscribed and sworn to before me this day of,

10 [19] 20...(signature of
11 county clerk)

12 4. Before receiving his commission, each applicant shall
13 submit to the county clerk a handwritten specimen of his official
14 signature which contains his surname and at least the initial of
15 his first name.

16 5. Immediately after receiving the bond and official
17 signature and witnessing the oath, the county clerk shall award
18 to the applicant his commission as a notary public.

19 486.240. If the person for whom a commission is issued
20 fails to appear and qualify within ninety days after the
21 commission is issued, the county clerk shall note the failure on
22 the commission and return it within thirty days of such failure
23 to the secretary of state. The secretary of state shall
24 immediately cancel and annul the commission.

25 486.260. Each notary public shall provide and keep a

1 permanently bound journal of his notarial acts containing
2 numbered pages. Each notary public shall record in such journal:
3 the month, day, and year of notarization; type of notarization
4 such as acknowledgment or jurat; type of document; name and
5 address of signer; identification used by signer; notary fee; and
6 signature of signer.

7 486.265. Every notary shall keep a true and perfect record
8 of his official acts, except those connected with judicial
9 proceedings, [and those for whose public record the law
10 provides,] and if required, shall give a certified copy of any
11 record in his office, upon the payment of the fees therefor.
12 Every notary shall make and keep an exact minute, in a book kept
13 by him for that purpose, of each of his official acts, except as
14 herein provided.

15 486.280. On every notary certificate, a notary public shall
16 indicate clearly and legibly, in print not smaller than eight-
17 point type by means of rubber stamp, typewriting or printing, so
18 that it is capable of photographic reproduction:

19 (1) His name exactly as it appears on his commission;

20 (2) The words "Notary Public", "State of Missouri", and "My
21 commission expires .. (commission expiration date)";

22 (3) The name of the county within which he is commissioned;
23 and

24 (4) A commission number; provided that the notary public
25 has been issued a commission number by the secretary of state.

1 Effective August 28, 2002, the secretary of state shall issue a
2 commission number for all new and renewal notary appointments.

3 486.285. 1. Each notary public shall provide, keep, and
4 use a seal which is either an engraved embosser seal or a black
5 inked rubber stamp seal to be used on the document being
6 notarized. The seal shall contain, in print not smaller than
7 eight-point type, the notary's name exactly as indicated on the
8 commission and the words "Notary Seal", "Notary Public", and
9 "State of Missouri".

10 2. The indentations made by the seal embosser or printed by
11 the black inked rubber stamp seal shall not be applied on the
12 notarial certificate or document to be notarized in a manner that
13 will render illegible or incapable of photographic reproduction
14 any of the printed marks or writing on the certificate or
15 document.

16 3. Every notary shall keep an official notarial seal that
17 is the exclusive property of the notary and the seal may not be
18 used by any other person or surrendered to an employer upon
19 termination of employment.

20 486.295. Any notary public who changes the address of his
21 residence in the county within and for which he is commissioned
22 shall forthwith mail or deliver within thirty days of such change
23 a notice of the fact to the secretary of state including his old
24 address and his current address. The secretary of state shall
25 notify the county clerk of the change of address. The notary's

1 commission shall remain in effect until its expiration date,
2 unless sooner revoked.

3 486.300. Any notary public who lawfully changes his name
4 shall forthwith request within thirty days of such change an
5 amended commission from the secretary of state and shall send him
6 five dollars, his current commission, and a notice of change form
7 provided by the secretary of state, which shall include his new
8 name and contain a specimen of his official signature. The
9 secretary of state shall issue an amended commission to him in
10 his new name and shall notify the clerk of the county within and
11 for which the notary is commissioned. After requesting an
12 amended commission, the notary may continue to perform notarial
13 acts in his former name, until he receives the amended
14 commission.

15 486.310. If any notary public no longer desires to be a
16 notary public, he shall forthwith mail or deliver to the
17 secretary of state a letter of resignation, and his commission
18 shall thereupon cease to be in effect. If a notary public
19 resigns as a result of the receipt of a complaint by the
20 secretary of state regarding the notary public's conduct, the
21 secretary of state may deny any later applications by such person
22 for appointment and commission as a notary public.

23 486.315. If a notary public has ceased to have a residence
24 address in the county within and for which he is commissioned,
25 his commission shall thereupon cease to be in effect, unless the

1 secretary of state issues an amended commission. When a notary
2 public, who has established a residence address in a county of
3 the state other than the county in which he was first
4 commissioned, requests an amended commission within thirty days
5 of changing the notary's county of residence, delivers his
6 current commission, notice of change form, and five dollars to
7 the secretary of state, the secretary of state shall issue an
8 amended commission to him, for the county in which his new
9 residence is located and shall notify the county clerk of the
10 county where the notary's new address is located. After
11 requesting an amended commission within thirty days of changing
12 the notary's county of residence, the notary may continue to
13 perform notarial acts with certificates showing the county within
14 and for which he is commissioned, until he receives his amended
15 commission.

16 486.330. Except as otherwise provided in section 442.210,
17 RSMo, certificates of acknowledgment shall be in print not
18 smaller than eight-point type and in substantially the following
19 form:

20 (1) By an Individual.

21 State of, County (and/or City) of On this
22 day of in the year before me, (name of notary), a
23 Notary Public in and for said state, personally appeared
24 (name of individual), known to me to be the person who executed
25 the within (type of document), and acknowledged to me that

1 (he) executed the same for the purposes therein stated.

2 (2) By a Partner.

3 State of, County (and/or City) of On this
4 day of in the year before me, (name of notary), a
5 Notary Public in and for said state, personally appeared
6 (name of partner) of (name of partnership), known to me to
7 be the person who executed the within (type of document)
8 in behalf of said partnership and acknowledged to me that he
9 executed the same for the purposes therein stated.
10 (official signature and official seal of notary.)

11 (3) By a Corporate Officer.

12 State of, County (and/or City) of On this
13 day of in the year before me, (name of notary), a
14 Notary Public in and for said state, personally appeared
15 (name of officer), (title of person, president, vice
16 president, etc.), (name of corporation), known to me to be
17 the person who executed the within (type of document) in
18 behalf of said corporation and acknowledged to me that he
19 executed the same for the purposes therein stated.
20 (official signature and official seal of notary.)

21 (4) By an Attorney in Fact for Principal or Surety.

22 State of, County (and/or City) of On this
23 day of, in the year before me, (name of notary), a
24 Notary Public in and for said state, personally appeared
25 (name of attorney in fact), Attorney in Fact for (name of

1 principal or surety), known to me to be the person who executed
2 the within (type of document) in behalf of said principal
3 (or surety), and acknowledged to me that he executed the same for
4 the purposes therein stated. (official signature and
5 official seal of notary.)

6 (5) By a Public Officer, Deputy, Trustee, Administrator,
7 Guardian or Executor.

8 State of, County (and/or City) of On this
9 day of, in the year, before me (name of notary), a
10 Notary Public in and for said state, personally appeared
11 (name of person),, (person's official title) known to me to
12 be the person who executed the within (type of document) in
13 behalf of (public corporation, agency, political
14 subdivision or estate) and acknowledged to me that he executed
15 the same for the purposes therein stated. (official
16 signature and official seal of notary.)

17 (6) By a United States Citizen Who is Outside of the United
18 States. (description or location of place where acknowledgment is
19 taken)

20 On this day of, in the year, before me
21 (name and title of person acting as a notary and refer to law or
22 authority granting power to act as a notary), personally appeared
23 (name of citizen) known to me to be the person who
24 executed the within (type of document) and acknowledged to
25 me that (he) executed the same for the purposes therein

1 stated. (official signature and official seal of person
2 acting as a notary and refer to law or authority granting power
3 to act as a notary).

4 (7) By An Individual Who Cannot Write His Name.

5 State of, County (and/or City) of On this
6 day of in the year, before me (name of notary),
7 a Notary Public in and for said state, personally appeared
8 (name of individual), known to me to be the person who, being
9 unable to write his name, made his mark in my presence. I signed
10 his name at his request and in his presence on the within
11 (type of document) and he acknowledged to me that he made his
12 mark on the same for the purposes therein stated.
13 (official signature and official seal of notary.)

14 (8) By a Manager or Member.

15 State of, County (and/or City) of On this
16 day of in the year before me, (name of notary), a
17 Notary Public in and for said state, personally appeared
18 (name of manager or member) of (name of limited liability
19 company), known to me to be the person who executed the within
20 (type of document) in behalf of said limited liability
21 company and acknowledged to me that he executed the same for the
22 purposes therein stated. (official signature and official
23 seal of notary.)

24 486.335. Affirmations shall be in type not smaller than
25 eight point and in substantially the following form:

1 (1) If the affirmation to be administered by the notary
2 public is in writing and the person who took the affirmation has
3 signed his name thereto, the notary public shall write or print
4 under the text of the affirmation the following:

5 "Subscribed and affirmed before me this day of
6, [19] 20...." (official signature and
7 official seal of notary.)

8 (2) If the affirmation to be administered by the notary
9 public is not in writing, the notary public shall address the
10 affirmant substantially as follows:

11 "You do solemnly affirm, under the penalty of perjury, that
12 the testimony you shall give in the matter in issue, pending
13 between and, shall be the truth, the whole truth, and
14 nothing but the truth."

15 486.340. 1. As used in this section, the words "executing
16 witness" means an individual who acts in the place of a notary.

17 2. An executing witness may not be related by blood or
18 marriage or have a disqualifying interest as defined in section
19 486.255.

20 3. The affidavit of executing witness for acknowledgment by
21 an individual who does not appear before a notary shall be in
22 type not smaller than eight point and in substantially the
23 following form:

24 I, (name of executing witness), do solemnly affirm
25 under the penalty of perjury, that (name of person who does

1 not appear before a notary), personally known to me, has executed
2 the within (type of document) in my presence, and has
3 acknowledged to me that (he) executed the same for the
4 purposes therein stated and requested that I sign my name on the
5 within document as an executing witness.

6 (signature of executing witness)

7 Subscribed and affirmed before me this day of,
8 [19] 20.... (official signature and official seal
9 of notary.)

10 486.345. 1. A notary public may certify a facsimile of a
11 document if he receives a signed written request stating that a
12 certified copy or facsimile, preparation of a copy, or
13 certification of a copy of the document does not violate any
14 state or federal law.

15 2. Each notary public shall retain a facsimile of each
16 document he has certified as a facsimile of another document,
17 together with other papers or copies relating to his notarial
18 acts.

19 3. The certification of a facsimile shall be in type not
20 smaller than eight point and in substantially the following form:

21 State of County (and/or City) of I,
22 (name of notary), a Notary Public in and for said state,
23 do certify that on (date) I carefully compared the
24 attached facsimile of (type of document) and the
25 facsimile I now hold in my possession. They are complete, full,

1 true and exact facsimiles of the document they purport to
2 reproduce. (official signature and official seal of
3 notary.)

4 486.350. 1. The maximum fee in this state for notarization
5 of each signature and the proper recording thereof in the journal
6 of notarial acts is two dollars for each signature notarized.

7 2. The maximum fee in this state for certification of a
8 facsimile of a document, and the proper recordation thereof in
9 the journal of notarial acts is two dollars for each 8 ½ x 11
10 inch page retained in the notary's file.

11 3. The maximum fee in this state is one dollar for any
12 other notarial act performed.

13 4. No notary shall charge or collect a fee for notarizing
14 the signature on any absentee ballot or absentee voter
15 registration.

16 5. A notary public who charges more than the maximum fee
17 specified or who charges or collects a fee for notarizing the
18 signature on any absentee ballot or absentee voter registration
19 is guilty of official misconduct.

20 6. A notary public may charge a travel fee, not to exceed
21 the approved federal mileage rate, when traveling to perform a
22 notarial act, provided that:

23 (1) The notary explains to the person requesting the
24 notarial act that the travel fee is separate from the notarial
25 fee and is not specified or mandated by law; and

1 (2) The notary and the person requesting the notarial act
2 agree upon the travel fee in advance.

3 486.385. 1. The secretary of state may revoke the
4 commission of any notary public who during the current term of
5 appointment:

6 (1) Submits an application for commission and appointment
7 as a notary public which contains substantial and material
8 misstatement of facts;

9 (2) Is convicted of any felony or official misconduct under
10 this chapter;

11 (3) Fails to exercise the powers or perform the duties of a
12 notary public in accordance with this chapter, or fails otherwise
13 to comply with the provisions of this chapter;

14 (4) Is adjudged liable or agrees in a settlement to pay
15 damages in any suit grounded in fraud, misrepresentation,
16 impersonation, or violation of the state regulatory laws of this
17 state, if his liability is not solely by virtue of his agency or
18 employment relationship with another who engaged in the act for
19 which the suit was brought;

20 (5) Uses false or misleading advertising wherein he
21 represents or implies, by virtue of his title of notary public,
22 that he has qualifications, powers, duties, rights, or privileges
23 that he does not possess by law;

24 (6) Engages in the unauthorized practice of law;

25 (7) Ceases to be a citizen of the United States;

1 (8) Ceases to be a registered voter of the county within
2 and for which he is commissioned;

3 (9) Ceases to have a residence address in the county within
4 and for which he is commissioned, unless he has been issued an
5 amended commission;

6 (10) Becomes incapable of reading or writing the English
7 language;

8 (11) Fails to maintain the surety bond required by section
9 486.235.

10 2. A notary's commission may be revoked under the
11 provisions of this section only if action is taken subject to the
12 rights of the notary public to notice, hearing, adjudication and
13 appeal.

14 486.395. Upon the receipt of a written request, the
15 notarized document and a fee of ten dollars payable to the
16 director of revenue, the secretary of state shall provide a
17 certificate of authority in type not smaller than eight point and
18 in substantially the following form:

19 I, (appointing state official, or local or district
20 office designated by appointing state official, name and title)
21 of the State of (name of state) which office is an office of
22 record having a seal, certify that (notary's name), by
23 whom the foregoing or annexed document was notarized, was, at the
24 time of the notarization of the same, a Notary Public authorized
25 by the laws of this State to act in this State and to notarize

1 the within (type of document), and I further certify that
2 the Notary's signature on the document is genuine to the best of
3 my knowledge, information, and belief and that such notarization
4 was executed in accordance with the laws of this State.

5 In testimony whereof, I have affixed my signature and seal
6 of this office this day of, [19] 20....

7
8 (secretary of state's signature, title, jurisdiction, address and
9 the seal affixed near the signature.)

10 488.031. 1. In addition to other fees authorized by law,
11 the clerk of each court shall collect the following fees on the
12 filing of any civil or criminal action or proceeding, including
13 an appeal:

14 Supreme court and courts of appeals \$20.00;

15 Circuit courts \$10.00;

16 Associate circuit courts \$ 5.50;

17 Small claims courts no additional fee.

18 2. Court filing surcharges under this section shall be
19 collected in the same manner as other fees, fines, or costs in
20 the case. The amounts so collected shall be paid by the clerk to
21 the office of the state court administrator and credited to the
22 special fund designated as the basic civil legal services fund.
23 However, the additional fees prescribed by this section shall not
24 be collected when a criminal proceeding or defendant has been
25 dismissed by the court or when costs are waived or are to be paid

1 by the state, county, municipality, or other political
2 subdivision of the state.

3 575.060. 1. A person commits the crime of making a false
4 declaration if, with the purpose to mislead a public servant in
5 the performance of his duty, he:

6 (1) Submits any written false statement, which he does not
7 believe to be true

8 (a) In an application for any pecuniary benefit or other
9 consideration; or

10 (b) On a form bearing notice, authorized by law, that false
11 statements made therein are punishable; or

12 (2) Submits or invites reliance on

13 (a) Any writing which he knows to be forged, altered or
14 otherwise lacking in authenticity; or

15 (b) Any sample, specimen, map, boundary mark, or other
16 object which he knows to be false.

17 2. The falsity of the statement or the item under
18 subsection 1 of this section must be as to a fact which is
19 material to the purposes for which the statement is made or the
20 item submitted; and the provisions of subsections 2 and 3 of
21 section 575.040 shall apply to prosecutions under subsection 1 of
22 this section.

23 3. It is a defense to a prosecution under subsection 1 of
24 this section that the actor retracted the false statement or item
25 but this defense shall not apply if the retraction was made

1 after:

2 (1) The falsity of the statement or item was exposed; or

3 (2) The public servant took substantial action in reliance
4 on the statement or item.

5 4. The defendant shall have the burden of injecting the
6 issue of retraction under subsection 3 of this section.

7 5. For the purpose of this section, "written" shall include
8 filings submitted in an electronic or other format or medium
9 approved or prescribed by the secretary of state.

10 6. Making a false declaration is a class B misdemeanor.

11 Section 1. 1. Notwithstanding any other provision of law
12 to the contrary, in any action construing a consumer service
13 contract which contains an automatic renewal provision for a
14 period longer than one year, such provision shall be deemed
15 unconscionable and the court shall strike the provision from the
16 underlying service contract.

17 2. As used herein, the term "consumer service contract" is
18 a contract for the purchase of work, labor or services from a
19 corporation or other business entity, including services
20 furnished in connection with the sale, maintenance, lease, rent,
21 or repair of goods or equipment; but shall not include prepaid
22 service contracts.

23 Section 2. 1. For purposes of chapters 193, 333, and 436,
24 RSMo, and where not otherwise defined, the term "next of kin"
25 means the following persons in the priority listed if such person

1 is eighteen years of age or older and is mentally competent:

2 (1) Surviving spouse;

3 (2) Any surviving child of the deceased. If a surviving
4 child is less than eighteen years of age and has a legal or
5 natural guardian, such child shall not be disqualified on the
6 basis of the child's age and such child's legal or natural
7 guardian, if any, shall be entitled to serve in the place of the
8 child;

9 (3) Any surviving parent of the deceased. If the deceased
10 was a minor, the surviving parent for purposes of determining
11 next of kin is the parent who had custody of the minor. If the
12 deceased was a minor and the deceased's parents had joint
13 custody, the surviving parent for purposes of determining next of
14 kin is the parent whose home was the minor child's residence for
15 purposes of mailing and education;

16 (4) Any surviving brother or sister of the deceased. If
17 the deceased had more than one brother or sister, then the
18 surviving brother or sister for purposes of determining next of
19 kin is the eldest brother or sister;

20 (5) The next nearest surviving relative of the deceased by
21 consanguinity or affinity;

22 (6) Any person or friend who assumes financial
23 responsibility for the disposition of the deceased's remains if
24 no next of kin assumes such responsibility;

25 (7) The county coroner or medical examiner; provided

1 however that such assumption of responsibility shall not make the
2 coroner, medical examiner, county, or this state financially
3 responsible for the cost of disposition.

4 2. In any civil cause of action against a funeral director
5 or funeral establishment for actions taken regarding the funeral
6 arrangements for a deceased person in their care, the relative
7 fault, if any, of such funeral director or establishment may be
8 reduced if such actions were reasonable and taken in reliance
9 upon a person's claim to be the deceased person's next of kin.

10 Section 3. Claims for refund for any overpayment of tax
11 imposed by sections 148.310 to 148.461, RSMo, shall be governed
12 by section 148.076, RSMo.

13 [386.025. Any joint municipal utility
14 commission established by contract for the
15 purpose of owning, operating, controlling or
16 managing all or part of any gas or electric
17 light works, heating or power plants, or gas
18 or electrical production, distribution or
19 transmission facilities shall be considered a
20 gas corporation or electrical corporation, as
21 the case may be, as those terms are defined
22 in this chapter.]

23
24 [393.295. All provisions of this
25 chapter and chapter 386, RSMo, concerning
26 court proceedings and the jurisdiction,
27 supervision, powers and duties of the public
28 service commission with reference to gas
29 corporations and electrical corporations,
30 including, but not limiting by enumeration
31 those provisions concerning supervision,
32 investigations, complaints, hearings,
33 reports, approval of certificates of
34 franchises, granting of certificates,
35 approval of issues of stocks, bonds, notes
36 and other evidence of indebtedness, keeping
37 of accounts, fixing of just and reasonable
38 rates, which shall be based on costs

1 associated with any property of such
2 corporations, shall be and are hereby made
3 fully applicable to any joint municipal
4 utility commission which owns, operates,
5 controls or manages all or part of any gas or
6 electric light works, heating or power
7 plants, electrical energy resources or gas or
8 electrical production, distribution or
9 transmission facilities in this state.
10 Nothing contained herein, however, shall
11 affect the rights, privileges or duties of
12 existing corporations pursuant to this
13 chapter, including the construction of
14 facilities within an existing certificated
15 area.]

16 [393.765. All provisions of chapters
17 386, RSMo, and 393 in reference to the
18 jurisdiction, supervision, powers and duties
19 of the public service commission with
20 reference to gas and electrical corporations
21 are hereby made applicable to any commission
22 proposed to be created pursuant to sections
23 393.700 to 393.770 which commission proposes
24 to own, operate, control or manage any gas or
25 electrical light works, heating or power
26 plant in this state, and such provisions
27 shall have full application thereto.]

28 Section B. No new development plans or development projects
29 may be approved under the provisions of sections 99.915 to 99.984
30 after August 28, 2007.

31 Section C. If any provision of this act or the application
32 thereof to anyone or to any circumstances is held invalid, the
33 remainder of those sections and the application of such
34 provisions to others or other circumstances shall not be affected
35 thereby.